



7th Floor - 4922 48th Street  
PO Box 2130, Yellowknife NT X1A 2P6

Tel: 867-669-0506 Fax: 867-873-6610  
www.mvlwb.com

May 16, 2025

File: MV2025C0002

Mark Cliffe-Phillips  
Mackenzie Valley Review Board  
200 Scotia Centre  
Box 938, 5102-50th Avenue  
Yellowknife NT X1A 2N7

Sent by email

Dear Mark Cliffe-Phillips,

**Re: NWT Rare Earths Ltd.– Notice of Preliminary Screening Determination – Application for Land Use Permit – Mineral Exploration – Nechalacho Project**

The Mackenzie Valley Land and Water Board (Board) met on May 16, 2025 and considered the Application Package from NWT Rare Earths Ltd. for Land Use Permit (Permit) MV2025C0002 for the Nechalacho Project (Project) in accordance with the *Mackenzie Valley Resource Management Act* (MVRMA).

The Board completed a preliminary screening for part of the Project on June 20, 2018 and April 2, 2020,<sup>1</sup>. Accordingly, the Board has determined that part of the Project is exempt from preliminary screening under Part 1, Schedule 1, section 2 of the Exemption List Regulations to the MVRMA.

The Board also conducted a preliminary screening based on the public record for the proceeding. Based on the evidence provided, the Board is satisfied that the screening has been completed according to section 125 of the MVRMA and has decided **not to refer** the Project to environmental assessment. The Board's Preliminary Screening Determination and Reasons for Decision, as required by section 121 of the MVRMA, are attached.

If the Board does not receive notice of referral to environmental assessment, it can proceed with issuance of Permit MV2025C0002 on **Tuesday, May 27, 2025**.

<sup>1</sup> See MVLWB Online Registry [www.mvlwb.com](http://www.mvlwb.com) for NWT Rare Earths – [Preliminary Screening and RFD – Jun20 18](#) - [Preliminary Screening and RFD – Ap2 20](#) Review Board Online Registry ([www.reviewboard.ca](http://www.reviewboard.ca))

The Board and staff look forward to continued communications throughout the pause period. Please contact Kathy Racher via [email](#) at (867) 766-7457 with any questions or concerns regarding this letter.

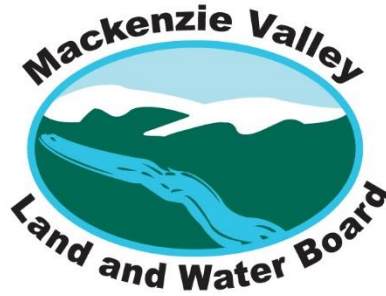
Yours sincerely,

A handwritten signature in blue ink that reads "Tanya MacIntosh". The signature is written in a cursive style with a long horizontal stroke at the beginning.

Tanya MacIntosh  
Chair, Mackenzie Valley Land and Water Board

BCC'd to: Akaitcho Distribution List  
Lisa Riley – NWT Rare Earths Ltd.  
Steve Woolfenden - NWT Rare Earths Ltd.

Attached: Preliminary Screening Determination and Reasons for Decision



7th Floor - 4922 48th Street  
 PO Box 2130, Yellowknife NT X1A 2P6

Tel: 867-669-0506 Fax: 867-873-6610  
[www.mvlwb.com](http://www.mvlwb.com)

## Preliminary Screening Determination and Reasons for Decision

Land Use Permit Application	
<b>File Number</b>	MV2025C0002
<b>Company</b>	NWT Rare Earths Ltd.
<b>Project</b>	Nechalacho Project
<b>Location</b>	Nechalacho (Thor Lake), NT
<b>Activity</b>	Mineral Exploration
<b>Date of Decision</b>	May 16, 2025

### 1.0 Decision

In accordance with subsection 124(1) of the [Mackenzie Valley Resource Management Act](#) (MVRMA), the Mackenzie Valley Land and Water Board (MVLWB or Board) met on May 16, 2025 to make a preliminary screening determination on the renewal Application from NWT Rare Earths Ltd. (NWTRE) (Applicant) for Land Use Permit MV2025C0002 (Permit)<sup>1</sup> for the Nechalacho Project (Project).<sup>2</sup>

The Board has determined that some Project areas are exempt from preliminary screening because they were previously screened. The Applicant has proposed new Project areas, however, and the Board has decided not to refer the proposed changes to the Project to the Mackenzie Valley Environmental Impact Review Board (the Review Board) for Environmental Assessment because, based on the evidence, it is the

<sup>1</sup>See MVLWB Online Registry [www.mvlwb.com](http://www.mvlwb.com) for NWT Rare Earths – [Permit Application – Mar27\\_25](#)

<sup>2</sup> The Project is the Nechalacho Project (Mineral Exploration), which is the proposed development, where “development” is defined in Part 5 of the [MVRMA](#) as:

“any undertaking, or any part or extension of an undertaking, that is carried out on land or water and includes an acquisition of lands pursuant to the *Historic Sites and Monuments Act* and measures carried out by a department or agency of government leading to the establishment of a park subject to the *Canada National Parks Act* or the establishment of a park under a territorial law.”

Board’s opinion that the proposed changes to the Project will not have a significant adverse impact on the environment or be a cause of public concern.

The Board’s determination, including reasons for its decision, are detailed in sections [3.0](#) and [4.0](#).

## 2.0 List of Defined Terms and Acronyms

Applicant	NWT Rare Earths Ltd.
Application	The complete application package submitted by the Applicant for Land Use Permit MV2025C0002
AEMP	Aquatic Effects Monitoring Program
Board	Mackenzie Valley Land and Water Board
CRP	Closure and Reclamation Plan
EA/EIR	Environmental Assessment/Environmental Impact Review
GNWT	Government of the Northwest Territories
GNWT-ECC	Government of the Northwest Territories – Environment and Climate Change
IR	Information Request
Inspector	An Inspector designated under subsection 84(1) of the <a href="#">Mackenzie Valley Resource Management Act</a>
LWBs	Land and Water Boards of the Mackenzie Valley
MVLWB or Board	Mackenzie Valley Land and Water Board
MVRMA	<a href="#">Mackenzie Valley Resource Management Act</a>
Minister	Minister of the Government of the Northwest Territories – Environment and Climate Change
ORS	Online Review System ( <a href="http://www.new.onlinereviewssystem.ca">www.new.onlinereviewssystem.ca</a> )
Party	As per the LWB <a href="#">Rules of Procedure</a> , an applicant, a person, or an organization participating in the regulatory proceeding for the Applications.
Permit	Land Use Permit MV2025C0002
Project	Mineral Exploration – Nechalacho Project, which is the proposed development (as defined in Part 5 of the MVRMA). <sup>3</sup>
Review Board	Mackenzie Valley Environmental Impact Review Board
SCP	Spill Contingency Plan
Standard Permit Conditions	LWB <a href="#">Standard Land Use Permit Conditions Template</a>
WMP	Waste Management Plan

<sup>3</sup> “development” is defined in Part 5 of the [MVRMA](#) as:

“any undertaking, or any part or extension of an undertaking, that is carried out on land or water and includes an acquisition of lands pursuant to the *Historic Sites and Monuments Act* and measures carried out by a department or agency of government leading to the establishment of a park subject to the *Canada National Parks Act* or the establishment of a park under a territorial law.”

### **3.0 Background and Scope of Screening**

On June 20, 2018, NWTRE received a Permit for mineral exploration in the Thor Lake area. The project is for the extraction of a bulk sample from the Upper Zone. The purpose of the demonstration project is to:

- Demonstrate the ability to utilize an environmentally benign Sensor Based Ore Sorting Plan on a rare earth resource;
- Provide a bulk sample for testing processing techniques at an off-site facility;
- Demonstrate the ability to establish low impact open-cast extraction and sorting operation, which use minimal water and no reagents; and
- Stockpile and reuse benign non-mineralized rock for future site construction activities.

The following work is required to support the Project:

- Site preparation (clearing), topsoil stripping and storage where necessary;
- Construction, maintenance, use and upgrading of site roads, laydown areas and pads;
- Construction of sediment and erosion control structures;
- Construction of water management structures to store water from the open-cast pit and seepage from rock storage;
- Possible upgrading and lengthening the exiting all-season airstrip and apron;
- Upgrade, operation, and maintenance of the existing exploration camp;
- Installation of preliminary diesel fuel storage tanks;
- Use and storage of fuel;
- Establishment of temporary power supply;
- Temporary storage of explosives and Ammonium Nitrate;
- Crushing and/or use of rock for site preparation;
- Construction of concrete foundations for infrastructure; and
- Construction of settling ponds, if required.

#### Scope of MV2018C0011

- Mineral exploration, including diamond drilling, bulk sampling and trenching;
- Use of heavy machinery and vehicles;
- Use and storage of fuel;
- Construction, use and maintenance of a camp;
- Construction, use and maintenance of trails and access roads;
- Development of a quarry;
- Use of explosives; and
- Extension of existing airstrip

On March 27, 2025, NWTRE submitted a renewal application for continued work at the Nechalacho Site. The Application was deemed incomplete on April 1, 2025 with the additional information submitted on April 2, 2025. The Application was deemed complete and the review commenced on April 4, 2025.

The Project areas and activities that have already been subject to Part 5 are listed below. Further information about these Project areas and activities, and associated impacts and mitigations, is detailed in the Board’s Preliminary Screening Determinations, dated June 20, 2018 and April 2, 2020<sup>4</sup>

The Application includes proposed changes to the Project. Under Part 1, Schedule 1, section 2.1 of the Exemption List Regulations to the [MVRMA](#), project areas and activities that have already been subject to Part 5 of the MVRMA are exempt from preliminary screening. The new Project activities and areas require screening by the Board in accordance with subsection 124(1) of the MVRMA.

In accordance with paragraph 125(1)(a) of the [MVRMA](#), the Board must conduct a preliminary screening of the proposed changes to the Project to determine and report to the Review Board whether, in its opinion, the proposed changes to the Project might have a significant adverse impact on the environment, or might be a cause of public concern. The details of the Board’s analysis are set out in section [4.0](#) below.

### 3.1 Scope of Screening:

#### Previously Screened or Assessed Areas and Activities:

Approved Activities	MV2018C0011	Renewal Application within the Scope of the Existing Permit	Has the activity been screened
Mineral exploration, including diamond drilling, bulk sampling and trenching	Open-cast surface extraction of a 600,000 tonne bulk sample	Yes, although increased scale to 1M tonne potential extraction	Extraction has been subject to Preliminary Screening, however, the increased volume of extraction has not been.  Additional mineral claims have been added to the project area.
Use of heavy machinery and vehicles	2 excavators, 3 articulated trucks, 2 drills, 1 front-end loader, and 1 dozer used for bulk open-cast surface extraction operations. A 250-kW generator, jaw crusher, cone crusher, ore sorter, and two screens are required for ore sorting operations.	Yes, the equipment list provided in the application aligns with the previous list. Additional mobile fleet was added to support the bulk movement of stockpiles off the site and to provide winter trail work that was previously required.	Additional pieces of equipment have been added to the list that was initially submitted.

<sup>4</sup> See MVLWB Online Registry for NWT Rare Earths – [Preliminary Screening and RFD – June20 18](#) and [Preliminary Screening and RFD – April2 20](#)

Approved Activities	MV2018C0011	Renewal Application within the Scope of the Existing Permit	Has the activity been screened
Use and storage of fuel	Storage of 491,000 litres of diesel and other fuels	494,485L	NWT Rare Earth Ltd. Added the volumes incorrectly
Construction, use and maintenance of a camp	No change: use, maintenance and upgrade of existing 50-person exploration camp.	No change	
Construction, use and maintenance of trails and access roads	No change: use and maintain existing roads. Minor realignments of existing roads may be required.	No change	
Development of a quarry	Development of sand and/or hard rock quarries to support the bulk sample and airstrip extension	No change	
Use of explosives	1,400 kg of ANFO or emulsion used per day	No change	
Extension of existing airstrip	Extension of existing airstrip consistent with permit to 1000 m	No change	

From the above Table, it is noted that NWTRE intends to increase the volume of bulk samples to be taken, additional mineral claims being added as well as additional pieces of equipment being added.

### 3.2 Public Record and Regulatory Proceeding

To assist the Board in its preliminary screening determination for the Project, the Board distributed the Application and a draft Permit for public review on April 4, 2025, inviting reviewers to provide comments and recommendations on the Application and the preliminary screening (e.g., on impacts and mitigation measures) using the Online Review System (ORS). Comments were due April 25, 2025, with responses from the Applicant due April 30, 2025. The Board received comments and recommendations from Environment and Climate Change Canada, Fisheries and Oceans Canada, GNWT-ECC – Inspector, GNWT-ECC – Environmental Regulatory Analyst, and GNWT-ECE – Prince of Wales Northern Heritage Centre (attached).<sup>5</sup> Board staff also submitted comments and questions for the purposes of clarification.

<sup>5</sup> See MVLWB Online Registry for [NWT Rare Earths – Renewal – Application – Review Summary Table – May16 25](#).

Since there were no requests to extend the reviewer comment deadline, the Board is satisfied that a reasonable period of notice was given to affected communities and First Nations, as required by subsection 63(2) of the [MVRMA](#).

Pursuant to Schedule 4.1 of [Northwest Territory Métis Nation \(NWTMN\) Interim Measures Agreement](#),<sup>6</sup> the Board determined that written notice was given to the NWTMN and that a reasonable period of time was allowed for NWTMN to make representations with respect to the Application.

Pursuant to subsection 1.6, paragraphs (a) and (b) of the [Akaitcho Territory Dene First Nations \(ATDFN\) Interim Measures Agreement](#),<sup>7</sup> the Board determined that written notice was given to the ATDFN and that a reasonable period of time was allowed for ATDFN to make representations with respect to the Application.

#### **4.0 Potential Impacts and Proposed Mitigations**

Although the Board has determined that parts of the Project are exempt from preliminary screening, the Board will consider the potential impacts and proposed mitigations in establishing the Permit conditions. For Board licences and permits in general, potential impacts can be mitigated through existing, standard, and/or project-specific licence and/or permit conditions. These conditions may include requirements for management and monitoring plans that provide detailed information regarding implementation of mitigation measures and the evaluation of their effectiveness.

All Parties have had an opportunity to provide recommendations to the Board regarding draft conditions. In finalizing the conditions, the Board will consider these recommendations and all of the evidence provided through the regulatory proceeding.

Table 1 below summarizes:

- the potential impacts of the proposed changes to the Project;
- the concerns that were identified during the regulatory proceeding and how the Applicant addressed those concerns;
- the proposed and potential mitigations for the potential impacts; and
- the Board's analysis of the potential impacts and proposed mitigations.

---

<sup>6</sup> See MVLWB Land Claims, IMAs, and Land Use Plans webpage to access the [Northwest Territory Métis Nation Interim Measures Agreement](#).

<sup>7</sup> See MVLWB Land Claims, IMAs, and Land Use Plans webpage to access the [Akaitcho Territory Dene First Nations Interim Measures Agreement](#).

**Table 1: Potential Impacts and Proposed Mitigations for the Proposed Changes to the Project**

Potential Impact	Activity	Proposed Mitigations <i>Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.</i>	Board Analysis and Determination
Abiotic Components - Land	Change in soil structure and inability to support vegetation	<ul style="list-style-type: none"> <li>• The Applicant proposed the following mitigations in the Application               <ul style="list-style-type: none"> <li>○ Closure and Reclamation Plan will be in place</li> <li>○ Overburden is stockpiled and will be used to reclaim the North T site.</li> </ul> </li> <li>• The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:<sup>8</sup> <ul style="list-style-type: none"> <li>○ Progressive Reclamation</li> <li>○ Save and Place Organic Soil</li> <li>○ Natural Vegetation</li> <li>○ Final Clean Up and Restoration</li> <li>○ Level Stockpiles</li> <li>○ Disposal of Overburden</li> <li>○ Pre-Construction Profiles</li> <li>○ Closure and Reclamation Plan</li> <li>○ Minimize Area Cleared</li> </ul> </li> </ul>	Based on the described mitigations, it is the Board’s opinion that the proposed activities will not have a significant adverse impact on the environment or be a cause of public concern.
Abiotic Components – Water – Ground Water	Water Table Alteration	<ul style="list-style-type: none"> <li>• The Applicant proposed the following mitigations in the Application               <ul style="list-style-type: none"> <li>○ Closure and Reclamation Plan will be in place</li> </ul> </li> <li>• The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:<sup>9</sup> <ul style="list-style-type: none"> <li>• Closure and Reclamation Plan</li> </ul> </li> </ul>	Based on the described mitigations, it is the Board’s opinion that the proposed activities will not have a significant adverse impact on the environment or be a cause of public concern

<sup>8</sup> See the MVLWB Policies and Resources webpage to access the LWB [Standard Land Use Permit Conditions Template](#).

<sup>9</sup> See the MVLWB Policies and Resources webpage to access the LWB [Standard Land Use Permit Conditions Template](#).

<b>Potential Impact</b>	<b>Activity</b>	<b>Proposed Mitigations</b> <i>Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.</i>	<b>Board Analysis and Determination</b>
Biotic Components – Vegetation	Direct Loss of Vegetation and Introduction of non-native (invasive) species	<ul style="list-style-type: none"> <li>• The Applicant proposed the following mitigations in the Application <ul style="list-style-type: none"> <li>○ Closure and Reclamation Plan will be in place</li> <li>○ Overburden has been stockpiled and will be used to reclaim the North T site.</li> </ul> </li> <li>• The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:<sup>10</sup> <ul style="list-style-type: none"> <li>○ Progressive Reclamation</li> <li>○ Save and Place Organic Soil</li> <li>○ Natural Vegetation</li> <li>○ Final Clean Up and Restoration</li> <li>○ Level Stockpiles</li> <li>○ Disposal of Overburden</li> <li>○ Pre-Construction Profiles</li> <li>○ Closure and Reclamation Plan</li> <li>○ Minimize Area Cleared</li> </ul> </li> </ul>	Based on the described mitigations, it is the Board’s opinion that the proposed activities will not have a significant adverse impact on the environment or be a cause of public concern
Biotic Components – Terrestrial Wildlife Habitat	Direct injury or mortality	<ul style="list-style-type: none"> <li>• The Applicant proposed the following mitigations in the Application <ul style="list-style-type: none"> <li>○ Wildlife Monitoring during site works to avoid interactions</li> </ul> </li> <li>• The Board has standard permit conditions that are typically used to mitigate the identified potential impacts. These standard conditions include:<sup>11</sup> <ul style="list-style-type: none"> <li>○ Waste Management Plan</li> <li>○ Garbage Container</li> </ul> </li> </ul>	Based on the described mitigations, it is the Board’s opinion that the proposed activities will not have a significant adverse impact on the environment or be a cause of public concern

<sup>10</sup> See the MVLWB Policies and Resources webpage to access the LWB [Standard Land Use Permit Conditions Template](#).

<sup>11</sup> See the MVLWB Policies and Resources webpage to access the LWB [Standard Land Use Permit Conditions Template](#).

<b>Potential Impact</b>	<b>Activity</b>	<b>Proposed Mitigations</b> <i>Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.</i>	<b>Board Analysis and Determination</b>
Cultural Components – Social and Economic Well-Being	Economic opportunities or losses (employment, training), Changes to the use of the area by other non-indigenous people (trappers, outfitters, residents, hunters, forest harvesters, other authorized projects)	<ul style="list-style-type: none"> <li>• The Applicant proposed the following mitigations in the Application               <ul style="list-style-type: none"> <li>○ There will be employment opportunities</li> <li>○ Blachford Lodge is engaged on Project work, logistics collaboration with the facility.</li> </ul> </li> </ul>	Based on the described mitigations, it is the Board’s opinion that the proposed activities will not have a significant adverse impact on the environment or be a cause of public concern

#### **4.1 Consideration of Potential Impacts**

Based on the potential impacts and proposed mitigations identified above in Table 1, the Board considered whether the changes to the Project might have a significant adverse impact on the environment. In general, impacts of the changes to the Project on the environment can be mitigated through the use of standard permit conditions and/or project-specific conditions established by the Board as per the LWB [Standard Process for Creating New Conditions](#). These conditions may include requirements for management and monitoring plans that provide detailed information regarding the implementation of mitigation measures and the evaluation of their effectiveness.

The use of permit conditions of two general types:

1. conditions in the existing Permit, including requirements for management and monitoring plans, with revisions where necessary; and
2. new or unique conditions that may be needed to mitigate potential impacts of the changes to the Project that may not be addressed by the conditions in the existing Permit, and which may be from the Board's standard conditions list or established by the Board as per the LWB [Standard Process for Creating New Conditions](#).

These conditions may include requirements for management and monitoring plans that provide detailed information regarding the implementation of mitigation measures and the evaluation of their effectiveness.

A draft Permit was circulated for review during the regulatory proceeding, and all Parties were given the opportunity to provide comments and recommendations on the draft conditions. In finalizing the conditions, the Board will consider all of the evidence provided through the regulatory proceeding.

#### **4.2 Consideration of Public Concern**

In addition to considering the potential impacts of the changes to the Project, the Board considered whether the changes to the Project might be a cause of public concern.

Based on the evidence provided during the regulatory proceeding, the Board did not identify any comments or issues that indicate that the Project is a cause of public concern.

#### **5.0 Conclusion**

The Board completed a preliminary screening of the Project on June 20, 2018 and April 2, 2020<sup>12</sup> however, the Application includes proposed changes to the Project. Accordingly, the Board has determined that Project activities that have already been subject to Part 5 of the [MVRMA](#) are exempt from preliminary screening under Part 1, Schedule 1, section 2.1 of the Exemption List Regulations to the MVRMA. The Board has conducted a preliminary screening of the proposed changes to the Project.

---

<sup>12</sup> See MVLWB Online Registry for [NWT Rare Earths – Preliminary Screening Notification to Review Board – Apr2 20](#).

The Board has reviewed all the evidence received during the regulatory process with respect to the Preliminary Screening of the proposed changes to the Project. Based on the evidence, it is the Board's opinion that the proposed changes to the Project will not have a significant adverse impact on the environment or be a cause of public concern, as set out in paragraph 125(1)(a) of the [MVRMA](#). The Board has therefore decided not to refer the proposed changes to the Project to Environmental Assessment.

If the Board does not receive a notice of referral to environmental assessment by Monday, May 26, 2025, the Board can issue the Permit on Tuesday, May 27, 2025.

SIGNATURE



---

**Tanya MacIntosh, Chair**  
**Mackenzie Valley Land and Water Board**

May 16, 2025

---

**Date**