



**Department of
Environment & Labour**

PO Box 697
Halifax, Nova Scotia
B3J 2T8

Our File Number.

10700-40

Office of the Minister _____

original dated April 10, 2007

Wally Bucknell
Executive Director
DDV Gold Limited
6749 Moose River Road
RR# 2 ,
Middle Musquodoboit, NS B0N 1 X0

Dear Mr. Bucknell:

The environmental assessment of the proposed Touquoy Gold Project has been completed.

This letter is to advise that, pursuant to Section 13 (1)(c) of the *Environmental Assessment Regulations*, I have determined that a review of the information indicates that the adverse effects or significant environmental effects which may be caused by the undertaking are limited and that a focus report is required.

Numerous public comments were submitted during the review concerning project impacts to the undeveloped lands, lakes and river systems lying to the south-west of the project site. This area has been described by Nova Scotia Environment and Labour's Protected Areas Branch as having unrepresented ecosystems, significant ecosites, outstanding wilderness recreational values, and a large natural patch with a significant connectivity zone for wildlife.

The focus report shall examine potential impacts of the proposed Touquoy Gold Project on the recreational, wilderness, and ecological value of the Scraggy Lake, Fish River, and Moose River system and undeveloped lands lying south-west of the project site. Particular attention shall be focussed on the potential release of contaminants to this downstream environment, as well as impacts of noise, dust and aesthetics on both the region described above and the Tangier-Grand Lake Wilderness Area. This report shall include characterization of risks to the downstream environment and subject lands, methods for avoiding interactions with these areas, proposed mitigation measures and contingency plans for potential effects on wilderness recreation values and activities in the region. The report should demonstrate that these concerns have been considered in mine design.

The Environmental Assessment Administrator will provide a written terms of reference for the preparation of the focus report within 25 days. DDV Gold Ltd. will have up to one year

to submit the required number of hard copies, for distribution by NSEL, and an electronic copy of the focus report. The Environmental Assessment Branch will notify the public of the release of the focus report and as a result a 30 day public review period will commence.

It is recommended that DDV Gold Ltd. work with Nova Scotia Environment and Labour's Protected Areas Branch and other stakeholders in preparing the focus report.

Sincerely,

original signed by

Mark Parent
Minister

cc: Julie Towers, Acting Manager - Environmental Assessment