

Penelakut Tribe Elders
P.O. Box 360
Chemainus, BC V0R 1K0
Facsimile (250) 246-2725

21 April 2006

Gidon Minkoff, President
Sablefin Hatcheries
335 Walker's Hook Road
Salt Spring Island BC
V8K 1N7
Facsimile: (250) 537-4109

RE: Sablefin Hatcheries Continuing Failure to Consult with the Penelakut Tribe

Dear Mr. Minkoff;

We write in response to your letter dated March 15, 2006, in which we are in fervent disagreement with your characterization that you or your Hatchery have been engaged in "continuing consultation" with the Penelakut Tribe. We have made our position clear throughout any relationship we have had with you or the Hatchery that we do not believe we have been consulted or accommodated. We must make our position clear before we can engage in any meaningful consultation with you.

In good faith, and in response to our April 2005 settlement meeting, we submitted a Settlement Proposal to you via your legal representative and have had no response from you or any other legal representative of Sablefin Hatcheries Ltd. despite our numerous contact attempts. Further, your legal representative made a promise to summarize our meeting and forward a copy for discussion; this was never completed. In our view, this constitutes a continuing failure to consult and accommodate the Penelakut First Nation's or the Elders' interests in regards to Syuhe'mun or Walker Hook.

As you are aware that Syuhe'mun is of central importance to Coast Salish people in which we have aboriginal title and rights. Our ancestors rest there and we are obligated as caretakers to watch over and ensure they are protected; that their site is preserved and treated with the utmost respect. Unfortunately, you and Sablefin Hatchery Ltd.'s objectives do not necessarily coincide with our responsibilities and objectives. Thus, we have always maintained an interest in working together and developing a positive, workable relationship. Your letter suggests the possibility of an alternative to using this sacred site for waste filtration. We, of course, are amendable to hearing such options.

We are interested in meeting with you but cannot accept your view that your relationship with us as one in which you have engaged in continuing consultation. Further, we do not accept your assertion that the legal issues have been put aside as we continue to consider options to protecting this sacred area. Additionally, we still inquire as to your lack of

response to our settlement proposal as in our view this was an attempt to come to a resolution of this issue in good faith which you did not reciprocate as is your legal duty.

Nevertheless, we agree to meet with you to discuss the matter further in the hopes that you and your Hatchery will engage in meaningful consultation and accommodation of our rights and interests. We require specific information in regards to what might be changed on the site and how the effluent can be directed from the midden without further impact upon the ancestral burial ground of the Coast Salish peoples and the sensitive ecosystems. We anticipate that this information will be put in terms which are understandable to all of the parties concerned in regards to any further development on Walker Hook.

We provide several dates for your consideration and notify you that our legal and scientific representatives may join our meeting. At this time, their participation will be paid by as a donation "in kind" as a means of good faith to demonstrate our commitment to this meeting.

As the British Columbia has an ongoing obligation to consult on matters which affect our rights we request the attendance of appropriate representatives from the Crown such as Bernie Taekema and perhaps a member from the Archeological Branch if appropriate. Please indicate the appropriateness of this attendance in relation to your proposal.

Our final request is for a field visit to Syuhe'mun (Walker Hook) prior to this meeting with your representation so we can make an informed assessment of the ongoing treatment of the site and perhaps develop an idea of any potential impact any of your changes may hold.

If you could please provide some suitable dates we will make all attempts to be available since this is an issue with priority for us. We look forward to your response and possible future meetings.

Sincerely,

Myrus James
Chairperson of the Penelakut Tribe Elders Committee

cc. Randy Alexander and Bernie Taekema, Ministry of Water, Land and Air
Facsimile: (250) 751-3103
Justine Batten, Director of Archaeological Branch
Facsimile: (250) 952-4188