

Ray and Nancy Kendel
Box 11
Cortes Bay, B.C. V0P 1K0
Canada
Phone & Fax 250-935-8508
E-mail: n_kendel@uniserve.com

January 24, 2008

Mr. Terry Chandler, CEO
Redcorp Ventures Ltd.
Redfern Resources Ltd.
Suite 800 – 1281 West Georgia Street
Vancouver, BC V6E 3J7
Fax: 604-669-5330

Dear Mr. Chandler:

Subject: Tulsequah Chief Mine - Air Cushion Barge Transportation System

As commercial salmon fishers on the Taku River in Northern British Columbia we are writing to document our concerns regarding the proposed Redfern Resources Ltd. (Redfern) Air Cushion Barge Transportation System, and the potential impacts to the Taku River salmon resources and our fishing business. For the past 29 years, our operation (locally known as Mosquito Point) has been based downstream of the Tulsequah River on a point below South Fork Channel. This fishing business has been and continues to be our sole source of income, and we are concerned that the proposed barge will disrupt or destroy our livelihood.

The Salmon Resource

The Taku River salmon resources and the concerns regarding the barge operations have been documented by both Fisheries & Oceans Canada (DFO) (letter to BC Environmental Assessment Office, October 5, 2007) and the Alaska Department of Fish and Game (letter to Department of Natural Resources, December 5, 2007). We concur with their concerns and recommendations, and feel it is essential that they be addressed before the barge operation proceeds.

As people who have lived with a close connection to the river and the salmon resource we are additionally concerned by the following:

- Disruption of mainstem spawning – Pacific salmon use portions of the main river channel as spawning habitat. These areas have not been thoroughly documented and are extremely vulnerable to disruption by the barge operation. We have observed sockeye salmon spawning below the Tulsequah River in the area locally known as "Snaggy Bend", the only place the barge can navigate in that section of river. Mainstem spawning areas such as this one need to be well documented and protected as disruption to salmon spawning areas will affect our livelihood.

- Big Bull Slough – In the past this channel/slough was used by returning adult salmon and may still be today. Side channels such as this also provide critical rearing habitat for juvenile salmon. In addition, the area below the Redcorp landing site, commonly referred to as "Bacon's ponds", is also an important and sensitive wetland area. The above are just a few of the areas downstream from your operation that are sensitive to habitat disturbance or destruction and are vulnerable to pollution. All areas need to be documented and protected prior to commencing operation. Disruption to migrating salmon stocks, or destruction or pollution of fish habitat will affect our livelihood.
- Canada/ US Canyon Island Fisheries Management Program – The information gathered from the tag recovery program (of which the two Canyon Island fishwheels are key components) is essential to the in-season management of the Canada/US commercial fisheries. If the fishwheels are damaged (as occurred in 2007) the managers may not be able to tag fish or make the appropriate opening and closing decisions. Each year fish managers are waiting for sufficient tags to be placed before switching to in-season management. Delays in switching to in-season management due to wheel malfunction could cause both the Canada & US commercial fisheries loss of fishing time and significant income.

Our Mosquito Point Fishing Operation

Due to the location of our camp and fishery we have a number of concerns with the proposed barge operation:

- Mosquito Point is located just below the South Fork Channel. The point itself is bedrock covered with a deep layer of silt and dirt. Portions of the point are very sensitive to erosion, and we are concerned that the wake from the barge operation may cause erosion and loss of usable land.
- The main river flows toward our point at a fairly high velocity, which creates a large powerful back eddy in front of our camp. We use this eddy to place a set net which catches a significant amount of salmon each year. If this eddy is impacted in any way by the barge operation (i.e. the channel changing above or the noise of the barge affecting fish migration, damage to our equipment, danger to ourselves or our crew checking the set net in small boats) our livelihood and personal safety could be affected.
- Our operation has a dock and ramp, a licensed Landing Station, and numerous boats and motors located around the point. If the tug/barge operation produces a large wake or loses control navigating around the point and eddy, significant damage to our equipment and operation could occur.
- Drift netting typically occurs in areas of the Taku between Erickson Slough and the Canada/US border. DFO manages the fishery through openings and closures (sometimes lasting 6-7 days a week). During fishery openings, our fishing operation drifts 24 hours a day from about the third week in May to the end of the first week in

August. During the beginning of May until the end of the season we shut down only during the darkest hours of the night. Disruption of this fishery would significantly affect our livelihood.

- Drift netting is done in small skiffs, sometimes with a single person operating the vessel. Drifting occurs in specific areas of the river where fish are known to migrate and where snags are not present or can be negotiated. Even so there are instances where a fisher may get the prop in the net, pick up a "roller", or hook on to a snag. The boat and crew are quite vulnerable in these instances, and may be unable to move or control their skiff until the problem is corrected. Boats have been sunk and crew rescued in the past. We have concerns that the barge operation may affect the migration of fish away from the traditional drift areas, or place our crew and equipment in further danger. This would be even more of a concern in the extreme low water conditions, typically found in early spring and late fall.

We have heard from individuals attending the recent Redfern meetings in Juneau, AK that a representative of your company stated that an agreement had been reached with the Canadian commercial fishers. We are not aware of such an agreement. To date we feel the consultation process with Taku fishers has been inadequate. Last summer we asked some basic questions of the individuals representing Redfern that stopped at our camp, and were not provided with satisfactory answers. In addition we have received no assurances from Redfern that the concerns we expressed verbally would be addressed, or how they would be addressed.

We look forward to hearing your response to this document at your earliest convenience.

Sincerely,

Original signed by

Raymond Kendel & Nancy Kendel

cc: Frank Quinn, DFO, Whitehorse (email)
Sandy Johnston, DFO, Whitehorse (email)
Dale Desrochers, DFO, Vancouver (email)
Garry Alexander, BC Government, Victoria
Louise Gordon, TRTFN, Atlin (email)
Richard Erhardt, Fisheries Consultant to TRTFN, Atlin (email)
Scott Kelley, ADFG, Juneau (email)
Brian Frenette, ADFG, Juneau (email)
Tom Irwin, DNR, Juneau, AK
Cherie Rudolph, Taku River Recreation Association, Juneau AK (email)