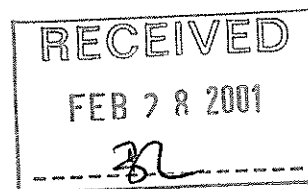




CANADIAN ZINC
CORPORATION



February 26, 2001

Luciano Azzolini
c/o the Mackenzie Valley Environmental Impact Review Board

By fax: (867) 920-4761

Dear: Mr. Azzolini:

**Re: Canadian Zinc Corporation
Environmental Assessment Information Request**

Please find enclosed our response to your Information Request on behalf of the MVEIRB dated February 20, 2001.

Yours very truly,

CANADIAN ZINC CORPORATION

J. Peter Campbell
VP Project Affairs

Suite 1202-700 West Pender Street
Vancouver, BC V6C 1G8
Tel: (604) 688-2001 Fax: (604) 688-2043
E-mail: peter@canadianzinc.com, Website: www.canadianzinc.com



February 26, 2001

**Canadian Zinc Corporation
Cat Camp Fuel Cache Recovery and Drill Program Environmental Assessments
Response to Information Request**

Information Request:

Date: February 20, 2001

From: Luciano Azzolini c/o the Mackenzie Valley Environmental Impact Review Board

Subject: Consultation

Requests: Provide the Review Board documentation of consultations related to the proposed development. Include minutes of meetings, travel notes, meeting notes, correspondence, and any other materials that will help the Review Board in its consideration of consultation as referenced in line numbers 206-209.

Response:

Please find attached to this response the following documents:

- Email* • August 16, 2000 – Attendance List – MVLWB Information Meeting
- Email* • October 6, 2000 – Letter from CZN to NBDB, DCFN, LKFN, ADKFN requesting meeting
- Fax* • October 18, 2000 – Letter from DCFN to CZN re: meeting in Nahanni Butte Nov. 22
- Email* • November 21, 2000 – MDAG meeting agenda
- Email* • November 21, 2000 – MDAG meeting minutes
- Email* • November 22, 2000 – DCFN meeting agenda
- Email* • November 22, 2000 – DCFN meeting minutes
- Fax* • November 30, 2000 – News Article - Deh Cho Drum – Road to riches
- Fax* • November 30, 2000 – News Article - Deh Cho Drum – Looking for work
- Email* • January 5, 2001 – Letter from CZN to NBDB, DCFN, LKFN, ADKFN requesting traditional knowledge

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Tel: (604) 688-2001 Fax: (604) 688-2043
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DEH CHO FIRST NATIONS

HEAD OFFICE- Hay River Dene Reserve (ADMIN BLDG)

BRANCH OFFICE- Fort Simpson, NT XOE ONO

Phone: (867) 695-2355

Fax: (867) 695-2038

Email: dehchofn@cancom.net

October 18, 2000

Peter J. Campbell
V.P. Project Affairs
Canadian Zinc Corporation
Suite 1202-700 West Pender Street
Vancouver, BC
V6C 1G8

FAXED
18/10/00

Re: Invitation to Meeting in Nahanni Butte, November 22, 2000.

Dear Mr. Campbell:

Thank you for your letter of October 6, 2000, where you offer to meet with me and other Deh Cho First Nation members to update us on Canadian Zinc and Prairie Creek Mine.

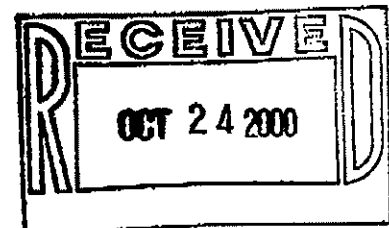
Rather than meet with us informally and individually, we invite you and your representatives to a formal meeting with members of the Deh Cho First Nations together on November 22 in Nahanni Butte with Leaders and Elders from Nahanni Butte, Liidli Kue First Nation, Acho Dene Koe First Nation, and the Deh Cho First Nations. At this meeting, we also request the attendance of representatives from the Mackenzie Valley Land & Water and Environmental Impact Review Boards, Nahanni National Park, and Canadian Parks and Wilderness Society.

My Executive Assistant, Dennis Nelner, will be calling you to confirm the meeting dates.

Mahsi,

Michael Nadli
Grand Chief

cc: ✓Chief Rita Clij, LKFN
✓Chief Judy Kotchea, ADK
✓Chief Leon Konisenta, Nahanni Butte Dene Band
Mackenzie Valley Land & Water Board
Environmental Impact Review Board
Chuck Blythe, Superintendent, Nahanni National Park
✓Stephanie Sibbeston, CPAWS
✓Chris Reid, Chief Negotiator



Land of the River People

DEH CHO DRUM, Thursday, November 30, 2000 3

to provide from the

Road to riches

VALUE OF MINERALS OVER \$2 BILLION

by Derek Neary
Northern News Services

Nahanni Butte
Prairie Creek mine in Nahanni Butte could mean hundreds of jobs over 20 years.

The executive of Canadian Zinc Corporation talked to the Nahanni Butte Dene band and Deh Cho First Nations last week about the zinc mine, which also has lead, silver and copper deposits.

Peter Campbell, Canadian Zinc Corporation's vice-president of project affairs, added the value of the known minerals is \$2.6 billion.

Alan Taylor, vice-president of exploration, said, "We haven't quite found the lost gold of the Nahanni, but we're working on it."

President and CEO Malcolm Swallow said the cost of excavating, smelting, and transporting minerals would be taken out of the \$2.6 billion. Mineral prices fluctuate as well, he added.

However, the new board of directors for Canadian Zinc, elected in May, believe the mine can be profitable, Campbell said. They hope to be in production in two to three years. The operation could provide 260 jobs.

three scenarios for road construction, for which an application was said to be at least a year away:

- Canadian Zinc builds it
- It's constructed through a joint venture with the Nahanni Butte Dene Band
- The band constructs it, charges user fees and controls access to the road.

"We see that as one of the best possibilities for (Nahanni Butte) to be involved early in the project," Campbell said of road construction.

Campbell said Canadian Zinc and the Nahanni Butte band could also share the ferry that would be needed to traverse the Liard River.

Herb Norwegian, assistant negotiator for the Deh Cho Process, said the DCFN will be withdrawing lands in the future as part of its self-government negotiations. He added the DCFN is striving for protection of the South Nahanni watershed area and is considering expanding Nahanni National Park Reserve to nearly seven times its current size.

"At some point, we'll probably have to look at whether the mine should be there or not," Norwegian said, asking what it would cost to purchase the mine site.



NEWS

Wrigley waits
Work began on the \$1.5-billion ice bridge to Wrigley on Monday, said Rod Gunderson, district superintendent of highways.

"The ice is pretty rough, rougher than normal," said Gunderson, who added that it usually takes a couple of weeks to complete the job. Last year the Wrigley crossing opened on Dec. 31.

Negotiating
The Deh Cho First Nations (DCFN) negotiating team and the federal negotiating team are scheduled to meet in Yellowknife on Dec. 6 and 7 to try and finalize a self-government interim measures agreement and the draft framework agreement.

"There's four conditions that we want to be moved on by the federal government," Grand Chief Michael Nadli said Tuesday. "You've got to remember, from our perspective, we've done all we can to push those two agreements as far as we could. Now it's the federal government... who have to move. It's up to them now."

Fur statement
Deh Cho M.L.A. Michael

McLeod has urged the GNWT to create a fur strategy for the North that will complement secondary manufacturing industries. Making a member's statement in the legislative assembly last week, McLeod said the sample product lines of Dene Fur Clouds, a Fort Providence based fur garment company, was abandoned by the NWT Development Corporation in March, apparently due to problems with the Genuine Mackenzie Valley Fur Initiative.

Lock up your snowmobile

Several Fort Liard snowmobiles have been taken by joyriders over the past few weeks, said Cpl. Kevin Boyce. One of the machines sustained severe damage to its track, resulting in a damage of close to \$2,000. Boyce said the RCMP are advising residents to keep their snowmobiles chained up.

RCMP looking for tips

Fort Simpson RCMP are looking for assistance in a stabbing incident that occurred Oct 31. A man in his 30s was stabbed in the chest twice. Anyone with information can contact the detachment or CrimeStoppers at 1-800-661-0899.

Road needed
Campbell said a \$20 million, 165-kilometre all-weather road needs to be established from the mine site to the Liard Trail as 180,000 tons of concentrate (base metals and sulphur) would be trucked out annually. There's in excess of 10 million tons of minerals at the Prairie Creek mine site, according to Taylor. The mill could process 1,500 tonnes of concentrate per day.

Canadian Zinc has outlined

Campbell said Canadian Zinc has invested \$150 million in the site to date. Swallow later said it would be up to lawyers to set a sale price.

Within the next year, Canadian Zinc plans to conduct surface drilling and tunnel 600 metres underground to "detail the large resource," Taylor said. These activities would all be supported by air. A pilot plant is also in the works.

Clean-up vests

Regarding the clean-up of

the 30,000 gallon fuel cache at Cat Camp, Nahanni Butte chief Leon Konisenta said he would prefer to see the winter road used for that purpose. He

added that his community would like to use the diesel as heating fuel. Swallow said the cost factor would have to be discussed as the clean-up is expected to carry a price tag in excess of \$100,000.

Konisenta also wanted the two sides to reconvene in the future to discuss liability in case of a fuel spill. Campbell said it's unlikely the fuel could be moved this winter but they could plan for next winter.

Peter Campbell, vice-president of project affairs for Canadian Zinc Corporation, points out the route of a proposed access road from the Prairie Creek mine site to the Liard Trail.

DCFN grand chief Michael Nadji invited the representatives of Canadian Zinc to the DCFN's winter leadership meeting in Fort Providence in February to discuss the matter further.

Nahanni Butte band members want jobs the mine would provide.

- See page 4



Nahanni Butte chief Leon Konisenta

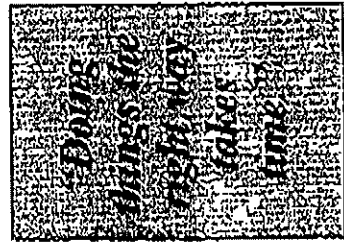
FACT FILE

- Canadian Zinc is headquartered in Vancouver and is listed on the Toronto Stock Exchange.
- Canadian Zinc was known as San Andreas Resources until a name change occurred in 1999.
- The Prairie Creek mine site is located 12 kilometres upstream from the current Nahanni National Park Reserve boundary.
- The 70-year mine life projection is based on only three of the mine's 14 kilometres of property, according to Canadian Zinc president and CEO Malcolm Swallow.
- The Nahanni Butte band signed a cooperative development agreement with San Andreas Resources in 1996. The deal has a provision for the band to purchase 10 to 15 per cent of the mine for \$6 or \$9 million respectively (inflation adjusted).
- A third-party has staked off the area surrounding the mine, but Swallow said a team of geologists has confirmed that Canadian Zinc has the most valuable ground in its possession. "We didn't miss the motherlode," said Swallow, who added that his company declined to buy the surrounding land.

4 DEH CHO DRUMI, Thursday, November 30, 2000

Looking for work

by Derek Neary
Northern News Services
Nahanni Butte
Members of the Nahanni
Butte Dene
Band are wor-
ried about jobs.
"We're look-
ing for work.
Right now there
is no employ-
ment here," said
George Beisaka
last Wednesday.
"You guys
(Deh Cho First
Nations execu-
tive) get paid
every two weeks, we don't.
You don't give a shit if that
mine is open or not. What are
people need jobs.



you doing for us?" said Betse-
ka, adding he hasn't seen a
cent so far from protecting the
land.

Fellow
band member
Morris Vital had
expressed the
same sentiments
earlier in the day.

He... said
part: expansion
should be limit-
ed, otherwise "it
would close off
development and
everyone would
go on welfare."

Raymond Vital, another
band member, said the young
people need jobs.

BAND MEMBERS UPSET BY DELAY

DCFN Grand Chief
Michael Nadli, responding to
concerns, outlined three priori-
ties for the next year: ensuring
self-government negotiations
remain on track, cultivating
economic development initia-
tives and building community
capacities.

Some companies are
attempting to establish devel-
opment with individual First

Nations in the region, but that
approach is divisive, he said.

He said another problem is
the Canadian Mining Regula-
tion's "free entry system,"
which freely permits staking
and exploration, an infringem-
ent of aboriginal rights.


Nadli said all 10 Deh Cho

communities should work
together to define acceptable
economic development. He
described the idea of simply
extracting resources and sell-
ing them in the south as "very
naïve."

"Doing things the right way
takes time," he said.



HITCHING
A RIDE
Daily Express
Beating a path
their way back to Ed-
Dene school in Fort
1 First



Public Review of Bills

A number of Bills have received Second Reading in the Legislature and have been referred to various Committees. The Committees invite public input and written submissions on the Bills outlined below. The Committees will be conducting public hearings on