



May 10, 2001

Hon. Robert Nault, P.C., M.P.
Minister of Indian Affairs and Northern Development
10 Wellington Street, North Tower
Ottawa, Quebec
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By fax: 1-613-996-1759

Dear Minister Nault:

**Re: Mackenzie Valley Environmental Impact Review Board
Report of Environmental Assessment (EA00-002a) – May 9, 2001
Cat Camp Fuel Cache Retrieval and Clean-up Development**

Request for Referral back to Review Board under MVRMA Sec. 130 (1) (b) (i)

We have reviewed the recommendations of the Mackenzie Valley Environmental Impact Review Board on the above noted development, as forwarded to your attention by the Review Board for consideration pursuant to Section 128 (2) of the Mackenzie Valley Resource Management Act.

The Review Board concluded that “the proposed development will likely cause a significant adverse impact on the terrain, particularly karst features”, as a result of which they recommended approval of the development subject to the condition that “the development occur in the winter of 2001/2002 using the access road from the mine to the fuel cache as a winter road, not as an all-weather road.”

Canadian Zinc disputes the conclusion of the Review Board and maintains that the proposed development will not likely have a significant adverse impact on the terrain, as the development will use an existing road that is 20 years old and only requires relatively minor rehabilitation in order to be usable, and that no significant karst features have been identified in the area of the road proposed for use. The record indicates that the Review Board erred in reaching their conclusion by accepting inaccurate and misleading information provided by the Nahanni National Park Reserve during the EA process, without utilizing expert technical advisors available in other government agencies for peer review of this information.

The proposed development is for the recovery, clean-up and transport of 30,000 gallons of diesel fuel from an orphaned bulk fuel cache left over by previous operators from 20 years ago. The cache is located in a remote area 40 km from our minesite over mountainous terrain by existing road. No other usable road access to the fuel cache site exists, and the nearest public highway is 120 km away. The proposed development, which was planned to be undertaken in the early fall under the most ideal weather conditions, represents the most practical and sensible means of eliminating this potential environmental liability.

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These mitigation efforts cannot, in our opinion, be safely and practically undertaken under winter conditions. As a result, this decision by the Review Board, if allowed to stand, will mean that the proposed fuel cache recovery and clean-up will not proceed as planned. As a result, this potential environmental liability will continue to exist, a situation which is certainly not in the best interests of anyone.

Accordingly, in the interests of environmental protection, we request that you exercise your powers under Section 130 (1) (b) (i) of the MVRMA and refer the Report of Environmental Assessment back to the MVEIRB for further consideration.

Yours very truly,

CANADIAN ZINC CORPORATION



J. Peter Campbell
VP Project Affairs

cc: Bob Overvold - Regional Director General, DIAND (Fax: 1-867-669-2703)
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Mackenzie Valley Environmental Impact Review Board (Fax: 1-867-920-4761)
Hon. Jim Antoine – Minister of Aboriginal Affairs, GNWT (Fax: 1-867-873-0306)
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