



CANADIAN ZINC
CORPORATION

May 07, 2000

Mr. Louie Azzolini
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
PO Box 938
200 Scotia Centre, 5102 – 50th Ave.
Yellowknife, NT
X1A 2N7

By fax: 1-867-920-4761

Dear Mr. Azzolini:

Re: File EA01-002 Draft Terms of Reference and Work Plan

We have reviewed the Draft Terms of Reference and Work Plan distributed April 30, 2001 for the Environmental Assessments of the Phase II Surface Mineral Exploration Drilling Program, Underground Decline and Drilling Program, and Metallurgical Pilot Plant Operation as proposed in Canadian Zinc's three separate applications for two Land Use Permits and one Water Licence submitted to the MVLWB on March 5, 2001 and unilaterally referred to the MVEIRB by the Nahanni National Park Reserve on April 11, 2001 prior to the completion of the Preliminary Screening by the MVLWB.

We offer the following comments on these draft documents:

- ✓ 1. The footer on pages 2 – 11 refers to the Cat Camp Fuel Cache Retrieval and Clean-up;
 - CZN recommends this should be changed to reflect the current applications

- ✓ 2. The Terms of Reference and Work Plan refer to all three applications as essentially one development; each of the applications were submitted separately and are for independent programs of work; each should therefore be assessed on its own merits and the outcome of the EA on one not be contingent on the outcome of another; it is worth noting that this is precisely the approach and justification taken on CZN's previous single application for the Phase I surface exploration program and Cat Camp Fuel Cache Recovery which were split into two EA's by the MVEIRB; this position was also consistent with Parks Canada's recommendation that the "projects should not be linked except for consideration of cumulative effects..." and decisions "should be based on their separate merits."
 - CZN recommends that, while it makes logistical sense to structure the process to address all three applications simultaneously, each application be assessed separately on its own merits

/...2

3. In Section 3.1 on page 3, under the discussion on mineral exploration, reference is made to conducting the drilling “in support of future production”. For the sake of clarity it should be understood that none of the proposed work programs are in themselves directly related to production, but rather are all exploration oriented and related to determining the feasibility of the project.
 - CZN recommends changing this reference to read “in support of project feasibility” in order to avoid confusion with actual production related activity

4. On p. 3 and p.12 under discussion on the underground decline, reference is made to “airlifting the jumbo drill to and from the portal location”; in fact the jumbo drill will be dismantled into manageable parts and flown from its point of origin by fixed wing aircraft to the existing airstrip approximately 1 km north of the minesite; the parts will be transported by road to the minesite shop facilities where the drill will be re-assembled and then transported by existing roads to the portal location
 - CZN recommends these references be amended accordingly in order to avoid confusion

5. On p. 5 under Section 4, reference is made to Table 1 setting out milestones in the **two** EA processes; Table 1 only sets out timelines for one process
 - CZN recommends the reference be changed to reflect one EA process to be consistent with the table

6. In Table 1 on p. 5, reference is made to a “hearing date in Fort Simpson” set for June 27, 2001; it is CZN’s understanding that the Prairie Creek mine is in the traditional territory of the Nahanni Butte Dene Band; accordingly, if in fact the Review Board considers a hearing to be a necessary component of the assessment process for these applications, it would seem more appropriate to have a hearing in Nahanni Butte.
 - CZN recommends consideration be given to holding the hearing in Nahanni Butte
 - CZN also recommends coupling the hearing with a visit to the Prairie Creek mine site the preceding day for Board members, First Nations representatives and others as appropriate

7. On p. 13 under Logistical Support – the third bullet makes reference to “helicopter support for safety, equipment and personnel transport as required”; in fact, air support for these programs is expected to be largely by fixed wing aircraft into the existing minesite airstrip
 - CZN recommends this reference be changed accordingly to avoid confusion

8. Given that each of the programs are independent from one another and to be judged on their own merits; and given that Table 3 on p. 14 indicates that virtually all the information necessary for completion of the EA of the Phase II drilling program is available and acceptable, it would seem that the MVEIRB should be able to proceed with making a determination on this application on a fast tracked schedule
 - CZN recommends that the EA for the Phase II surface exploration program be fast-tracked given that virtually all the information necessary for the MVEIRB to complete the EA is reported to be available and acceptable

/...3

9. In Appendix I on p. 18 the first basic legal principle set out under item 1.1 is stated as the right to be heard which is defined as providing fair opportunity for parties to prepare and state their case and to correct or contradict relevant statements prejudicial to their position; this was a concern to CZN in the previous EA's where no formal opportunity was afforded to CZN to respond to incorrect assumptions or misleading statements provided in the technical review and public comments put before the board at the end of the process; this concern was the subject of a letter date April 3, 2001 from CZN to the EIRB
 - CZN recommends the Work Plan be amended to provide the proponent with a formal opportunity to respond to the submission of RA and other technical reports, and if appropriate to Public comments as well. This is recommended in the interests of procedural fairness and to help ensure that the Review Board is not put in the compromising position of having to make its decisions based, at least in part, on inaccurate assumptions or misleading statements without the benefit of having these corrected.
- ✓ 10. On p. 17 under Sec. 9.5 reference is made to NEB as a DRA in this development
 - CZN believes this is incorrect and recommends this reference should be deleted
- ✓ 11. On p. 17 under Sec. 9.6 reference is made to an EA decision date of January 23
 - CZN believes this is incorrect and recommends this reference be changed to read July 31 to be consistent with the milestone dates set in Table 1

In addition to the foregoing recommendations, we would like to request clarification on two issues. Firstly, several recent emails transmitting information in respect of the EA's have made reference to "intervenor" status under the MVRMA. For example, an email dated May 2, 2001 identified both the Nahanni National Park Reserve and the Department of Indian Affairs and Northern Development as "intervenor". We have been unable to locate "intervenor" as a defined term under the Act. Would you please clarify the term "intervenor" and where it is defined within the enabling legislation.

Secondly, we note that several of the government agencies, including the Nahanni National Park Reserve, have self-identified themselves as a "responsible minister" in accordance with s.111 of the MVRMA as per your email request of April 24, 2001. It is unclear to us what jurisdiction the Nahanni National Park Reserve has in relation to the developments in question under federal or territorial law which would classify it as a "responsible minister". We would appreciate clarification on this matter, as well.

Thank you for the opportunity to comment on these Draft documents. Should you have any questions or require any additional information please feel free to contact me at your convenience.

Yours very truly,

CANADIAN ZINC CORPORATION

Original Signed By

J. Peter Campbell
VP Project Affairs