

September 13th, 2011

Chuck Hubert Environmental Assessment Officer Mackenzie Valley Environmental Impact Review Board Yellowknife, NT

> Re. EA0809-002 Sent via Email

Dear Mr. Hubert,

This letter is being sent on behalf of the Nahaa Dehé Dene Band (NDDB) in response to the Board's call for final submissions by September 13th, 2011. As the Board is aware, NDDB has submitted the following formal documents to the registry during its intervention in this environmental assessment:

- NDDB Request for Referral (submitted September 22nd, 2008);
- Traditional Knowledge Assessment Report Addendum (submitted September 21st, 2009);
- NDDB Community Survey (submitted March 17, 2011);
- NDDB Technical Report (submitted June 3rd, 2011, with a follow-up letter submitted June 13th);
- NDDB Community Hearing Presentation (June 21st, 2011); and
- NDDB Public Hearing Presentation Updated (June 21st, 2011).

The information, positions, and recommendations expressed in these documents, as summarized in the Public Hearing Presentation of June 21st, remain valid.

Since the hearings, NDDB has been party to the discussions and document exchange taking place between Canadian Zinc Corporation, Aboriginal Affairs and Northern Development, Parks Canada, Environment Canada, and other agencies regarding water quality objectives and water management procedures for mine operations. During the discussions, it became clear that it would be helpful to all parties for NDDB to more clearly articulate its expectations with respect to water quality in Prairie Creek.

On Monday, August 29th, a meeting was held in Nahanni Butte that involved chief, council, and community members. I attended this meeting. The purpose was to review the community's expectations regarding water quality management and try to clarify what would be an acceptable level of change to the water in Prairie Creek. The outcome of this meeting was forwarded to the proponent and responsible agencies to help guide their final technical discussions.

PO Box 20069, Yellowknife, NT, X1A 3X8 Phone: (867) 920-4405 Fax: (867) 920-4540 E-mail: predvers@ssimicro.com For the benefit of the Board, the community's position, which strives to reflect a balanced approach, can be summarized as follows.

- The community recognizes that there will be some changes in the water chemistry of Prairie Creek resulting from mine operations.
- To minimize this change, consistent with its earlier position, the community wants the water treatment plant to be enhanced as a first priority. It now appears that this can be done through additional treatment using available treatment technologies. This enhancement should be done as a matter of course rather than as an option. The community wants CZN to determine the new parameters of the discharge water once an additional level of treatment is factored in.
- Where mineral and/or other material concentrations will be below standard end-of-pipe water quality guidelines for chronic toxicity, operational end-of-pipe objectives can be set reflecting the achievable concentrations. In other words, objectives lower than standard guidelines should be set where achievable using best available technology (and practices), particularly given the acknowledged sensitivity of Prairie Creek.
- Where certain concentrations exceed standard end-of-pipe guidelines for chronic toxicity, a risk assessment needs to be carried out to both determine the extent of the dilution zone required to achieve the guidelines and the impact on the aquatic environment of increased concentrations in the dilution zone. The impact of loading (averaging concentration discharges over time rather than applying fixed concentrations) has to be included in the risk assessment. This impact information needs to be reviewed by the community, in collaboration with Canadian Zinc and responsible agencies, before final objectives are set.
- The community wants the use of dilution zones and loading to only be considered as a
 last resort and only where it can be demonstrated that no chronic toxicity in aquatic life
 will occur. The community wants to ensure minimal impacts downriver of the discharge
 point and also wants to ensure simpler and more consistent compliance monitoring
 procedures.
- The community wants assurances that leaching of minerals from disposed tailings will not cause chronic toxicity in aquatic life downstream nor result in the need for long-term post-closure water treatment operations.

NDDB understands that the process required to address this position cannot be concluded by September 16th, so it is incumbent on the Board to take actions and/or make recommendations to ensure that these matters can be addressed before water quality objectives and water management systems are finalized. NDDB continues to support the technical discussions and negotiations underway between the proponent and responsible departments to address short and long-term water quality management issues.

Taking into account the registry documents listed above, this letter constitutes NDDB's final submission. NDDB will comment on the final report of the Board and reserves the right to intervene in subsequent regulatory processes on specific environmental issues of concern.

Yours truly,

Peter Redvers