MACKENZIE VALLEY ENVIRONMENTAL IMPACT AND REVIEW BOARD

PRAIRIE CREEK MINE ENVIRONMENTAL ASSESSMENT COMMUNITY MEETING

Mackenzie Valley Review Board Staff:

Richard Edjericon Chairperson
Richard Mercredi Member
Danny Bayha Member
Peter Bannon Member
Rachel Crapeau Member
James Wah-Shee Member
Darryl Bohnet Member
Percy Hardisty Member

HELD AT:

Nahanni Butte, NT
June 22nd, 2011
Day 1 of 3
<table>
<thead>
<tr>
<th></th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Martin Haefele</td>
<td>MVEIRB staff</td>
</tr>
<tr>
<td>2</td>
<td>Chuck Hubert</td>
<td></td>
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<tr>
<td>3</td>
<td>Paul Mercredi</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Jessica Simpson</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>John Donihee</td>
<td>Board counsel</td>
</tr>
<tr>
<td>6</td>
<td>David Harpley</td>
<td>For Canadian Zinc</td>
</tr>
<tr>
<td>7</td>
<td>Alan Taylor</td>
<td>Corporation</td>
</tr>
<tr>
<td>8</td>
<td>Chris Reeves</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Wilbert Antoine</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Teresa Joudrie</td>
<td>AANDC</td>
</tr>
<tr>
<td>11</td>
<td>Michael Suitor</td>
<td>Parks Canada</td>
</tr>
<tr>
<td>12</td>
<td>Chief Fred Tesou</td>
<td>Naha Dehe Dene Band</td>
</tr>
<tr>
<td>13</td>
<td>Peter Redvers</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Lorraine Vital</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Jayne Konisenta</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Caroline Lafontaine</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td></td>
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<td>19</td>
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<td>20</td>
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<td>21</td>
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<td>22</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Page No.</td>
<td>Table of Contents</td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>----------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Chairperson's Opening Comments</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Presentation by Canadian Zinc Corporation</td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>Question Period</td>
<td></td>
</tr>
<tr>
<td>63</td>
<td>Presentation by AANDC</td>
<td></td>
</tr>
<tr>
<td>73</td>
<td>Question Period</td>
<td></td>
</tr>
<tr>
<td>77</td>
<td>Presentation by Parks Canada</td>
<td></td>
</tr>
<tr>
<td>86</td>
<td>Question Period</td>
<td></td>
</tr>
<tr>
<td>109</td>
<td>Presentation by Naha Dehe Dene Band</td>
<td></td>
</tr>
<tr>
<td>128</td>
<td>Question Period</td>
<td></td>
</tr>
<tr>
<td>147</td>
<td>Closing Comments by Canadian Zinc Corporation</td>
<td></td>
</tr>
<tr>
<td>153</td>
<td>Chairperson's Closing Comments</td>
<td></td>
</tr>
<tr>
<td>156</td>
<td>Reporter's Certificate</td>
<td></td>
</tr>
</tbody>
</table>
--- Upon commencing at 10:15 a.m.

THE CHAIRPERSON: Good morning. We'll --

we'll start this morning, but before we start I just want
to say that we're very happy to be in your community,
Chief, and I want to get the Chief from this community to
do welcoming remarks, so I'm going to turn it over to the
Chief. And if you could just state your name.

Okay. I guess I'm told that we've got to

speak close to the mic. What I'll do is I'll turn it

over to the Chief, but then he will get opening prayer,
then the Chief will do your welcoming comments, so I'll
turn it over to the Chief.

CHIEF FRED TESOU: Yeah, Mahsi. Jayne

Konisenta will do the opening prayer for us here and we
will get the -- we'll deal with opening prayer.

(OPPENING PRAYER)

CHIEF FRED TESOU: Good morning. Good

morning, everybody. My name is Fred Tesou. I'm the
Chief of Nahanni Butte. On behalf of the Chief and
Council I'd like to welcome everybody to -- to Nahanni
Butte.

Well, I know everybody's waiting for the
coffee, but it's making right now, and it will be there very soon. Yeah, I -- once again I'd like to welcome everybody to my -- my small community and -- and...

This is really important issues about -- about what we're going to be talking about, so once again, welcome to Nahanni Butte.

CHAIRPERSON'S OPENING COMMENTS:

THE CHAIRPERSON: Okay. Mahsi, Chief. And also, Mahsi, Jayne, for your -- doing your opening prayer. I'm going to go ahead and start the opening comments for the Chairman.

First of all I want to say good morning. I would like to begin this hearing to let you know my name is Richard Edgericon. I'm the Chair for the Mackenzie Valley Impact Review Board.

Before I do that I want to do an introduction of the -- my Board members and my staff. And maybe what we could do is we could go around the table, and when you speak we ask you to mention your name and who you represent just so that it's on public record.

So I want to go to my far right. I'm going to go to my Board member.

MR. PETER BANNON: Peter Bannon, Board member.
MR. DANNY BAYHA: Danny Bayha, Board member from Deline, thank you.

MR. RICHARD MERCREDI: Richard Mercredi, Board member, Fort Smith.

MS. RACHEL CRAPEAU: Rachel Crapeau, Board member from the Dettah.

MR. PERCY HARDISTY: Percy Hardisty, Board member from Fort Simpson.

MR. JAMES WAH-SHEE: James Wah-Shee, Board member from Tlicho area.

MR. DARRYL BOHNET: Good morning. My name is Darryl Bohnet, and I'm a Board member from Yellowknife.

THE CHAIRPERSON: Thank you. I'm going to go to our -- our staff in the back.

MR. PAUL MERCREDI: Paul Mercredi, EA Officer from Yellowknife.

MR. CHUCK HUBERT: Chuck Hubert, Review Board, Yellowknife.

MR. MARTIN HAEFELE: And I'm Martin Haefele, also with the Review Board in Yellowknife.

MR. JOHN DONIHEE: My name is John Donihee, I'm Board counsel.

THE CHAIRPERSON: Thank you. I'm going to go to Nahanni Butte First Nation introduction to
yourself, Chief, and Bor -- Band Council or staff that
may be with you.

CHIEF FRED TESOU: My name is Fred Tesou, Chief of Nahanni Butte.

MS. JAYNE KONISENTA: Jayne Konisenta, Nahanni Butte councillor.

(MIght of Pause)

MS. LORRAINE VITAL: Lorraine Vital, councillor.

THE CHAIRPERSON: Thank you. Thank you. I'm going to go over to Canadian Zinc, introduction.

MR. ALAN TAYLOR: Good morning. My name's Alan Taylor, I'm with Canadian Zinc.

MR. DAVID HARPLEY: David Harpley, Canadian Zinc.

MR. CHRIS REEVES: Chris Reeves, Canadian Zinc.

THE CHAIRPERSON: Thank you. Okay. We'll -- we'll continue on. I just wanted to -- Canadian Zinc, for the record we've been -- has made an application for a water licence and a land -- land use permit to operate Prairie Creek Mine.

In addition, two (2) land use permits have
been submitted to operate and concentrate transfer facilities halfway along the winter road access, and another transfer facility near the Liard Highway.

The proposed Prairie Creek Mine project was referred to for environmental assessment by Indian and Northern Affairs Canada on its own behalf and based on additional requests from Nahanni Butte Dene Band in August of 2008.

We have received one (1) of the first stages of the environmental assessment, the community hearing. Today the Board wishes to hear the views and options that members of the community in Nahanni Butte may have regarding this proposal development.

This community hearing is informal and is intended to be distinct from the more formal hearings later this week in Fort Simpson. Presentation from parties will be non-technical and the majority of the time will be given to the community members to ask questions.

Over the course of the day we will ask that you do not -- best to help the Review Board to understand your views about the proposed development potential environmental, social, economic, and cultural impacts, and your views of potential significance of these im -- impacts.
The Review Board will fully consider these views while it's deliberating on this decision in this environmental assessment. Once the decision is made the Board will write down -- write it down in a report of an environmental assessment and send it to the Minister of Indian and Northern Affairs for acceptance.

Before we go any further, I already did the introduction of the Board members and staff. The Review Board is a co-management body established by the Mackenzie Valley Resource Management Act that makes a decision by consensus.

Our members are northern, nominated by First Nations and by the territorial and federal governments. Our goal is to make decisions that will benefit the north for all residents and for the future generations.

I have some additional comments on today's proceedings that I hope will help make sure everything goes smoothly. We have limited time and the Review Board wants to hear what everyone has to say.

Please note that there is an agenda for the hearing, which is available at the door. I ask that everyone respect the time allotted for presentations and questions and use their time effectively.

The Review Board will produce -- will be
producing an official transcript of this hearing. This transcript will be available through our website and the public registry for this environmental assessment.

The community will be informal and will proceed as follows, Canadian Zinc Corporation will give their presentation first. After they have given the presentation, community members and the Review Board have the opportunity to ask questions.

Nahanni Butte Dene Band, INAC and Parks Canada will also be -- make brief presentations.
Community members and -- and the Review Board will have the opportunity to ask questions of each of these three presentations.

There will be no questions between the developer and the parties during this community hearing. The remaining time this afternoon will be for community members to ask further questions through the developer and the parties that are present.

Community members here today are welcome to speak, make a statement, or ask questions. Please identify yourself to one (1) of our staff so they can -- can help you. Questions can be asked with a microphone so that everyone here and the transcript -- transcribers can properly record it.

We have simultaneous translations into the
Dene languages on your -- on your headsets. You can hear English on Channel 1, and the Dene languages on Channel 2. I ask that you speak slowly and clearly for the interpreters.

So let's begin today with the presentation from Canadian Zinc Corporation. So we'll -- we'll turn it over to Canadian Zinc Corporation.

Even though in my opening comments I also made a note that we're going to move the Nahanni Butte Dene Band presentation to 1:00 this afternoon, so it gives us time to -- we'll continue on with the other presenters.

Okay. So I'm going to turn it over to Canadian Zinc. And then I ask that everybody that speak will speak through the Chair. And maybe what we could do is make sure that you mention your name so it's clear for our transcriber to understand. And -- so I'll turn it over to Canadian Zinc. Mahsi.

PRESENTATION BY CANADIAN ZINC CORPORATION:

MR. ALAN TAYLOR: Yeah, if I could ask Mr. Chairperson if I could stand up and do the presentation, I'll make sure that I'm heard.

(BRIEF PAUSE)
THE CHAIRPERSON: Maybe while they're getting set up there I also want to acknowledge our transcriber, Wendy Warnock. She's our transcriber in the back, and our translators in the back. We'll mention -- we'll recognize you guys a little bit later. But if you guys wave -- if we're going too fast just let me know and then we'll slow those guys down. Okay. Mahsi.

(BRIEF PAUSE)

CONTINUED BY MR. ALAN TAYLOR:

MR. ALAN TAYLOR: Hello. Hello. Okay. Good morning, ladies and gentlemen. My name's Alan Taylor. I've been with Canadian Zinc for almost fifteen (15) years at Prairie Creek. I'm the Chief Operating Officer based out of Vancouver, but spend a lot of time up here.

Firstly, I'd like to thank Chief, and Council, and the Community for hosting this event. And we've been in touch with them for a long time now with regards to this project and we certainly appreciate their accommodation here.

The Prairie Creek Mine, it's a very unique application in the environmental assessment process mainly for one (1) major reason, and that's because the
infrastructure is already present.

It was fully permitted back in 1982 and was three (3) months away from production before it went bankrupt, but it is Canadian Zinc's thought along this lines that the presence of this infrastructure here already should expedite this permitting process somewhat because, basically, the environmental footprint of the facilities and the transportation corridor is already there.

So as I said, what you see before you, the mo -- most part of this infrastructure was put in in 1980, but it goes back before then. The original discovery in 1928 was followed shortly through the '50s and '60s by development throughout the property until they -- until they found the main mineralization in this hillside.

The 1960s camp is right here. But it -- it was interesting that underground development took place 5 kilometres to the south of this site in 1965. So one (1) of the challenges everyone has with this project is what was there before.

And while we don't have any measured database as to what the situation, the water quality was and -- and things like that before the infrastructure was developed, we can look back and sort of look at
comparisons.

And one (1) -- I being a geologist, one (1) of the -- one (1) of the ways we explore for mineralization is we -- besides sampling of rocks and soils is we sample waters. And in this particular case this -- this -- this Prairie Creek showing was discovered by an outcrop on the side of the -- on the side of the creek.

However, we know that there's anomalous waters -- or met -- metals in the waters downstream of Prairie Creek. And in the recent mineral, energy and resource assessment by Parks Canada, when they were expanding the park, over -- hundreds of water samples were taken in the region.

And of these hundreds of samples there was a definite significant percentage that were anomalous in metals. And this included Prairie Creek but, overall, from the mirror study, there were over 12 percent of the entire region of the expanded park that had higher and moderate indications of mineral potential.

So what I'm emphasizing here is that if we look back before any development here, most likely the natural setting was metals -- anomalous metals coming out of the ground in a natural state downstream of this site.

And we've put groundwater holes throughout
the site here and some of our groundwater holes in --
this is Harrison Creek up here, and Prairie Creek down
here, they show signs of significant anomalous metals,
including zinc, lead, silver. And that would be
emanating from the exposures of mineralization on this
hillside and that needs to be accounted for.

Here we seen an aerial of -- of the site
and you can appreciate the sort of restricted nature with
the topography. Here's the airstrip. This is Prairie
Creek running north to south and this is Harrison Creek
coming in the side here. The mineralization lies in here
and was naturally producing leach -- leached metals into
the system downstream.

The site -- what we propose with the site
basically is very similar to what you see. We're going
to enhance some facilities, upgrade some facilities,
they're -- they are thirty (30) years old, but in
addition to that, we're going to enhance the mitigation
of any possible environmental impact through a number of
ways.

And one (1) -- and the key line of inquiry
here, of course, is water quality. And we're proposing
to convert this -- it was originally a tailings pond
facility, but never produced, never had any tails in it.

And we -- we are now going to convert this
into a water storage pond to store our mine water and
recycle for our process water through the mill and retain
waters before being treated and released.

And most -- most proposed operations do
not have this facility available to them because it
wouldn't be built yet. And even though there's some
structural challenges with this facility, it can be
mitigated and -- and the structural integrity can be --
can be reapplied.

So what have we done since inheriting the
Canadian -- or the -- the Cadillac Mine, which had the
waters coming out from the portals for thirty (30) odd
years, not being treated?

Well, we -- when we came on we started to
-- to treat the mine water because before it wasn't being
treated. We moved forty (40) tonnes of cyanide that was
stored on site since 1981 and we took all -- removed all
the PCB waste, and upgraded the site, and reorganized the
inventory of materials there.

The road needed repairs and we have since
re -- rebuilt that road with a suitable armour to protect
it for years to come. And when Cadillac went in there I
don't believe they had much dialogue with the Community,
but it was our intent from day one (1) to have as much
dialogue with this Community as we can to further educate
them on what we're doing, for training, and for future purposes here.

So what have we accomplished? Well, we have more than doubled the defined mineral resource that was known at Cadillac since then. We have a -- at least a fourteen (14) year mine life and proba -- we have indications of more than double that.

The mine water is now treated. Cyanide and PCBs removed, road banks armoured, and we maintain good relations with our First Nations. In addition to that we have taken on regional initiatives for training, education and employment throughout the fifteen (15) -- fifteen (15) years that I've been involved and that's through -- recently through Aurora College and Mine Training Society.

But what's it all about? It's about what's in the ground and that's what attracted us. Initially that's what attracted the Hunt Brothers. And what's on surface we -- we deal with today, but from a mining perspective it's what's in the ground that matters.

And this is the lower level portal, which is presently emanating the waters and has been for the last thirty (30) years, naturally flowing out from the mine site in the warmer season. And this is where we
treat the waters.

But underground -- it's kind of a dark slide, I know, but this is what it's all about. Ninety percent of our resource lies in a high grade, what we call a vein-type structure. And what that vein represents is a crack in the rock, a fault zone. And it's -- it's -- it's -- it's received high grade mineralization from a -- a long distance through fault zones. But what that fault does also is conduct water through it. And that's where the metals go through naturally, ever since this has been formed.

For our proposed mining operations we proposed them as very similar to what Cadillac had proposed with a few enhancements, 100 percent underground operation. And this would be from the existing portals and we'd have to create a new portal here to go further at depth into the mine.

Our development plans, originally Cadillac was -- was to put tailings on the surface in that facility we saw, but we recognize the legacy issues of tailings ponds upon closure, the long-term issues it has, and we were looking at innovative ways to reduce that risk.

And so we're now proposing that all our flotation tails that come out of the mill, the waste
flotation tails will be placed back underground into the voids that we have mined out. And not many mines have that opportunity because in our case we are -- we're taking out a significant portion as concentrate and we have that ability to have that room underground.

It is at an expense because you have to mix cement with it. You have to bring the cement in, make it -- a cement plant on site, but we feel that it's merited in the location we are.

We're also proposing water recycle and treatment, and my colleague Dave will talk about that a bit later. We'll produce two (2) types of mineral concentrate, a zinc and a lead, and it basically comes out in 4 tonne bags. And because we're proposing paste backfill, we feel we have a low-risk closure plan here.

And along with that we bring our First Nations Communities and such along as best we can here to get involved and participate. So briefly, I'm sure a lot of you have been there, and I would encourage you to -- to go there because it's the only way to understand the property.

We have a 3,000-foot airstrip that we access now because we haven't reopened that winter road, even though we do have a winter road permit at this time. And so we're limited in -- in what equipment and -- and
such we can bring at -- at this time. And of course, the
mine facilities which are all bermed by an armoured
riprap engineered facility and has protected the site for
more than thirty (30) years with very little maintenance.
And in that time that we've been there and our
predecessors, San Andreas, there has been significant
flood events and we have suffered no effects at the site.

What -- our energy support for the site,
unfortunately, has to be diesel at this time. We've
looked at alternative energy sources such as wind and
solar, and -- and water, but they're just not reliable
enough for our needs at this time even though we don't
require a lot of power.

And this tank farm facility, once again,
is fully engineered, it's -- it's fully bermed and clay-
lined, and we have a tank engineer inspect these tanks
every year, and we're presently only using the -- the
painted one (1). But this has a capacity for around 8
million litres of diesel and that's enough to run the
mine on for one (1) year.

One (1) of our -- the mitigative -- or the
-- the safety protocols that Cadillac installed was an
installation of a catchment pond. And this catchment
pond is the last pond in the site where all the surface
waters report to and has a -- has an ability to close off
any -- any drainage there in case there's a spill on site
and have clean-up on -- on site and prevent decanting
into the environment.

Our total geological resources in the
order right now are defined in the order of 12 million
to 12 million tonnes. Our application, and what we're basing our
feasibility on, is based on half that, 5 million tonnes.

That 5 million tonnes is capable of a
fourteen (14) year mine life at 1,000 tonnes per day.
And we have indications of double that through drilling.
And at this time we're further exploring outside that
resource to find additional resources, and we contemplate
locating further resources to make the mine even more
long lived.

Significant metal in the ground, 60
million ounces of silver, and billions of pounds of zinc
and lead. So our -- our underground plan would be to
utilize the present levels and extract what we can from
them and they're pretty well ready to go now. There's
about 5 kilometres of tunnel. But in addition, we'd need
to drive deeper on -- into the -- into the ore body to
further feed the mill and develop underground.

Our proposed mining and milling, I won't
get into the -- a lot of detail, but basically we can run
underground at about 1,300 tonnes per day mining. And we're proposing to mill at one thousand (1,000). Now you might ask why we lose that three hundred (300), well, we're -- we're also proposing to install what's called a dense media separation plant at the front end of our mill. And basically we have very heavy minerals, the lead and the zinc, which are a lot heavier than the -- the host rock, and they readily separate through -- through a gravity technique in the mill, it's very simple.

And we can get rid of in the order of 300 tonnes of waste before it goes into the mill and that is a big plus because what that does is we can enhance the amount of metal that goes into the mill without actually expanding the mill.

And that has a -- has a -- huge knock-on effects with economy of scale here, and it also saves on energy since we don't have to process a lot of waste and we don't have -- we don't have that much flotation tails generated either.

And we'll be producing zinc and lead concentrates to be transported to railhead at Fort Nelson, British Columbia, a distance of about 500 kilometres, via a winter road.

And a winter road was originally part of
the permit of Cadillac, and we've -- we've gone to that route of winter road for a number of reasons, 1) it has the least impact from the environmental perspective, 2) it has a very low capital cost compared to an all season road, and 3) it's a -- we're -- we're limited as to how much volume we can actually mine here. So the necess -- it's not necessary to have an all seas -- all-season road at this time.

Our mill inside is 90 percent complete.

If you were to build this mill this ye -- this day and age from scratch it would be in the order of a $100 million, but it's sitting on site doing nothing right now.

And even though it's thirty (30) years old, the basic process remains the same in the mill as it was then. All we'd have to do is upgrade some facilities to bring them up to code.

This is a schematic of the mill showing some of the enhancements we would add onto the mill. And the main one (1) is the power plant. We'd be replacing all our diesel generators by new more fuel-efficient generators in order to minimize the amount of diesel we need to support that site.

We'd be adding a dense media plant on the side of the mill, a paste plant for the paste backfill,
and on the out -- outboard side of the mill a bagging plant and some concentrate storage facilities. But the main guts of the mill remains very similar to what -- to what it is when installed.

This is an example of one (1) of the generators we'd be replacing the old generators with. They'd take up a quarter of the space in -- in the mill.

And also we incinerate all our garbage and have since day 1 at the site. We've never had a wildlife issue in so doing, but we would need to replace our existing incinerator with a new incinerator.

So as I spoke to you before about our ability to paste backfill here is dictated by how much void space there is available to us. And we ship out approximately 26 percent as concentrate and this is per tonne of rock mined.

And in our DMS reject, 24 percent is rejected and 50 percent comes out as float waste tails. And we can put all that 50 percent back underground because we have this space available to us.

And, in addition, we have underground development that's -- that's not included in that pie chart. So we do have the space to do it and the technology of paste backfill has been around for twenty (20) odd years, and it -- it -- it can be done. And
might I add, at an expense, but we feel that expense is more than merited. So I'm going to ask my colleague Dave Harpley to take over from here.

(BRIEF PAUSE)

MR. DAVID HARPLEY: Good morning. I'm going to run through the -- the waste management side of the -- the project and also the environmental issues that are related to project and to the road.

Carrying on from what -- where Alan left off, as he said, all the float tailings will go underground. And, in addition, a portion of the -- the DMS reject -- reject rock. Not all of that DMS rock can fit underground at this time, or we're not sure that it can. So the excess, if there is any excess, will go to the waste rock pile. The waste rock pile is primarily for development rock that will come out of the -- the access ways to get to the -- the -- the minerals underground.

The cornerstone of the -- the Water Management Plan is to convert the large pond on site, which was intended for tailings disposal, into a water storage pond. This will allow us to recycle water to the mill as the feed source for the mill.
So this is kind of a conceptual view of what the waste rock pile will look like. It is in a tributary to Harrison Creek. It is not in a location where there's normally a -- a creek flowing, so it's a good location from that perspective, and here is the waste here.

It would have a seepage collection pond at the toe in this location and the seepage would be fed into the water management system to be treated. This location is also convenient in that it would be fairly easy to cap the area after the mine closes and blend it into the landscape.

So this is what we think the mine will look like in production. We have the -- the pond revised here. It has a separated dike in the middle and it has two (2) cells in the water storage pond, and then there's some additional buildings here.

This is a large shed to store concentrates, some sheds to store reagents, an additional accommodation complex, and the additions to the mill that Alan was describing.

So this is a simplified view. It may not look simplified, but this is essentially our Water Management Plan. And -- whoops. Basically what happens is water from stockpiles from the waste rock pile here
and from the mine, and also from the sewage treatment plant will all feed into one (1) cell of the water storage pond.

And water that comes out of the mill feeds into the other cell of the water storage pond. And the two (2) of them stay separate. Both cells feed water back to the mill. Both cells also feed water to the water treatment plant. And from there the water is discharged via the catchment pond, which also collects runoff from the site and discharges to Prairie Creek.

When Cadillac built the pond, the large pond, this area of the back slope was unstable. So part of the revision of this pond includes placement of material here to stabilize it both in the floor of the pond and along the back slope. In addition, material will be excavated from above here to reduce the load on the slope and also we will have a minimum water level in the pond, which acts as an additional support for the slope. And -- and this is what our engineers tell us is required to ensure the slope is stable in normal conditions and during an earthquake if we have one.

So the water story is essentially, we recycle and reuse as much mill water as we can. But we're only able to recycle a proportion of it, and we're -- and we also can't recycle all of the mine water that
flows into the mine. So we have to treat and discharge, we can't use and dispose of all the water on site. We will have two (2) water treatment plants.

One (1) will be for mine water, and one (1) will be for water that comes out of the mill. The reason we have two (2) is the metals in the water and their chemistry is different so they behave differently to treatment. We went through a lengthy process to determine what was the correct approach to treat these two (2) different waters, and our engineers basically came up with the two (2) processes that we have described in our submission.

Mine water is based on lime treatment. This is a fairly simple but very reliable process that's used virtually everywhere in the world, including Canada and the US, and generates very good quality water after treatment.

The process water will be a little different. We first have to make the water acidic to change the chemistry of the water, and then we add sulfide, which precipitates the metals, and then we add lime to remove the acid, to bring the water back up to just above neutral for discharge.

That is the primary treatment of the water. In addition to the primary treatment there is a
secondary treatment step. This involves removing the sediment from the water because when you treat it in the primary step you generate the sediment, that is the metals that we need to precipitate. So the secondary step involves a big, what we call a clarifier. And this is big -- basically a big tank, which allows the sediment to settle.

One (1) of the difficulties in doing the water treatment testing is that while we can fairly accurately simulate the effect of the primary treatment in the laboratory, it is very difficult to simulate the secondary treatment in the laboratory because you need large vessels.

What the engineers tell us is that the -- the results we get out of the treatment are conservative because we should get better treatment in a mine scale proper plant.

The discharge from the site -- we're proposing to use, essentially, a pipe that is buried below the channel of Prairie Creek. We selected this option for two (2) main reasons, one (1) is that the pipe is not exposed to damage from floods, and the second reason is it allows mixing of the discharge with creek water very efficiently.

And this is important because we need to
get the mixing done as fast as possible to minimize metal concentrations in the creek. All of this will be subject to very diligent monitoring. And we have made the commitment to the Community that they will be involved in the monitoring. We have said to them that we will have a member from the Community on every shift, and it's our desire to train people and have them as basically environmental managers, officers, on site. So they will do other things in addition to monitoring. There will be a hands-on approach.

We're very conscious of the possibility of spills occurring, both along the site and along the road. As far as the site goes we're fortunate that we have a number of very high dikes and berms, and also the catchment pond that will allow us to basically contain very quickly and effectively if we have a spill on site.

The discharge will have a gate on it so that if there is a significant spill we can close the gate and stop the discharge until we can rectify the problem. This shows you where the pipe will be as discussed. This is the catchment pond here. This is Prairie Creek. So the pipe will come out of the pond through the dike towards the bottom of the dike and buried underneath the creek here.

You will notice that the pipe does not
extend all the way across the creek. This is because we want to maintain a zone where if for some reason fish don't like the water that's coming out of the trench here, they can go around, so we're not stopping the movement of fish.

In design, this is a cross section, so the creek is flowing kind of this way. Here is the dike and the trench extends under the dike. The trench has lots of little slots in it so that we get an even distribution of discharge of the water up through these course boulders and into the bed of the creek over this whole section here.

As Alan mentioned, the water quality in the creek downstream was likely mineralized before any of the mine infrastructure was built. The difficulty we have is that there's no way of knowing exactly what that water quality was because when we came to the project the mine was essentially built already, and there was not a good database of water quality.

One (1) thing we do know though, is that from our studies and other people's studies, that despite there being approximately twenty-five (25) years of discharge of mine water to the creek, there is surprisingly little in the way of impact downstream. What we've done is we've simulated the discharge water
quality and we've done an extensive amount of testing to see how that water quality compares to concentrations that might be toxic to fish and other things that live in the water.

And these tests actually use real fish and other aquatic organisms. It's called toxicity testing. So we've done several test rounds of this to make sure that what we discharge will not be acutely toxic to fish. In other words, it won't kill fish.

We've also re-- researched what kind of concentrations in the creek we would consider to be protective of all of the things that live in the water. And I'll discuss that in a minute.

But one (1) thing we do know is that further downstream in Prairie Creek, and particularly in the South Nahanni River, we don't believe there is any significant risk for impacts.

There's one (1) kind of big disagreement at this point as far as the project goes and it has to do with the discharge and the concentrations we think are necessary to meet in the creek. In all of the literature review that we've done, the indications to us, and recommendations from our consultants, are that using zinc, this concentration here at this level is protective of everything living in the creek.
These are concentrations here, starting with zero at the bottom and then increasing. The top concentration is 0.04 milligrams per litre. By way of reference, drinking water guideline is five (5). So in - in terms of this chart that number would be way above the ceiling here. But aquatic organisms are more sensitive than we are. So this is what we think is the safe level. And down at the bottom here, this black diamond is what we estimate to be background.

Now some government departments want the discharge so that the water quality in the creek stays in this narrow range here at the bottom, or here, I should say. This green would be -- this green triangle would be the top of the range. This orange diamond is what we think our discharge would be, the highest concentration we estimate will be in our discharge. So for zinc we can be in this range that the government considers is the right place to be.

This one (1) is lead. Again, this is where we think the safe level is. Here's background, almost at the bottom of the chart at zero, and the range is here. And our predicted concentration is right on the same -- the top of the range, the background range here. So we're very close, but it's very tight.

Now we come to a metal like antimony.
Again, here's our safe level, here's background, but you'll notice for this one, background and the green triangle are almost on top of one another right down here at the bottom. And here is our predicted high right here. So for antimony we can't stay in the background range. It just happens that there is antimony in the minerals, it does come out into the water a little bit, and it's not in any significant concentration upstream of the creek. We actually know that it is downstream, but it's not in the creek upstream.

So for this metal we can't stay within the background range. However, we're still a long way from what we consider to be a level where there might be cause for concern. And this level also has a safety factor associated with it. So this is really where we're having a disagreement with government as to what the discharge needs to be.

Mercury is always a concern if it's present because it has the potential to accumulate in fish and other organisms. We do know that the background concentration in the creek is low. It is so low that in normal testing we can't detect it. So we're having to consider doing, and in fact have just started doing, special sampling and using very low detection limits.

Although there is mercury in the minerals
underground, the vast majority of that mercury stays in the minerals in the concentrate, so will leave the site when the concentrates are taken out. The mine water also has very little mercury in it. It is also not detectable at present. The mill water does have a little bit of mercury in it, not much, but it is detectable, but most of that is sediment that is not dissolved.

So we don't think that the mine will lead to a significant discharge of mercury and accumulation. And on this similar chart here, here's our background and here is the upper range of the background and the safe objective is up there.

However, there is some question marks associated with the data upon which these numbers are based. So right now we're comfortably in the range, in the safe range, but there are some question marks with the data, so we have to do some further checking. And with mercury you can't just rely on water quality, you have to look at the process of potential accumulation in fish tissue.

You will hear other presentations later today. In their presentation Parks Canada will say that the project as proposed may not mitigate potential significant adverse impacts to Prairie Creek. In the public hearing in Fort Simpson we will indicate that
Parks Canada has, in our opinion, made numerous incorrect assumptions in their review of water quality. And, as a result, their conclusion is not correct.

INAC has concluded that the project as proposed presents a high level of risk for significant adverse impacts to water. This conclusion is based on a number of assumptions. In Fort Simpson we will indicate that only one (1) assumption is valid, in our opinion. That is the approach to setting water quality objectives. That's what I've been discussing just now.

As discussed, INAC wants the project to meet background water quality, whereas Canadian Zinc believes that objectives that protect aquatic life are appropriate. Both -- we believe both approaches are acceptable, and which one is used is a matter of opinion. Therefore, we disagree with INAC's conclusion.

So basically what we're saying is our discharge, in our opinion, will not have significant impacts. There may be some changes to the natural background, but we don't believe they're substantial changes, and certainly will not significantly affect the aquatic life that lives in the creek. And it's not for every metal. As I showed you, some of the metals we can stay in the background range, just that there are others where we can't.
The mine will hire two hundred and twenty (220) people full-time on a shift rotation so that at any one (1) time there will be approximately a hundred and ten (110) people on site. We propose to have two (2) shifts for the mine and for the mill operation, so that will be two (2) twelve (12) hour shifts. And then there will be one (1) administration shift which will likely be a ten (10) hour shift.

The rotation we've selected is three (3) weeks on and three (3) weeks off. This is a rotation that our workers historically have indicated to us is the best rotation for them because it allows them time to really have time off when they're not on -- at -- at work. Two (2) weeks is too short, four (4) weeks is too long. In addition to that manpower, there will be a significant manpower involved in moving out the concentrates in the winter and moving in the supplies.

The shift change will be done mostly by air using the existing airstrip, but of course, the concentrates going out will have to be done by road. This is our winter road. Here we are at the mine, in our area inside the Park, and the road connects through here.

The existing road is the solid line here that goes out to Lindberg Landing. What we've proposed is a number of realignments, one (1) here, which we call
the Polje realignment. There's some changes that we want
to make in the Silent Hills right here, and there's two
(2) realignments here that were advocated by the
Community so that the road moves out of wetland areas,
this one (1) and this one (1).

This particular realignment has an added
benefit in that it brings the road closer to the
Community, not into the Community, but close enough that
the transfer facility here means that the Community can
be involved in the operation of this facility. And, more
importantly, the control of the road in terms of access
control.

So the alignments of the wetlands I
mentioned, the -- the Polje realignment was selected at
the suggestion of Parks Canada because the existing road
bisects the Poljes and there was an interest in moving it
so it was away from the -- the main karst features. So
after some extensive investigation, because it's very
difficult terrain to -- to get through because of the
incised nature and -- and the karst features, we did find
an alignment that will work from a transport perspective.

In addition to that we've been working
hard to improve the road in other areas, specifically to
remove the grade, that is the slope of the road, and also
to remove some of the tight bends. And there's two (2)
One (1) is it makes the road easier to drive, so the transportation process is more efficient. But probably more importantly it makes the road so much more safer, less risk of accidents, and less risk of spills.

We're also proposing to have bridges over some of the creek crossings, partly to minimize damage at those crossings, but also because the nature of the creeks in those locations, one (1) of them is very incised and it involves going down into the creek and out again, which is -- itself poses some risk. And another location, it's a fairly substantial creek, Polje Creek, which may not freeze completely in terms of stability to drive over.

We're also looking at other places along the road to improve the safety and we're thinking about using curbs and runaway lanes, anything we can do to make the road safer and minimize risks we're looking to do.

We will be having speed limits on the road. When the road is operational we will have a proper road safety supervisor, somebody who knows winter roads and the terrain, and we will have them specifically consider the types of vehicles and the cargos, and specify speed limits, which will be posted along the
different sections of the road. And all of this will be monitored and policed.

This is a concept of one (1) of the bridge crossings, this is Sundog Creek, and the road is actually in the back here, the existing road. It goes down into this box canyon and then out again. So this bridge would span the gap and avoid having to do that.

This is the Polje realignment and here is the existing road and it bisects the Poljes here. And there are also sinkholes in this area of the road. So the new realignment will come further to the south. It will cross Polje Creek here with a span and then will reconnect up with the old road up here.

This is the Silent Hills area. We were considering realigning the road to come up the slope gradually. We found that this slope here is actually unstable, so we're not able to do this realignment. However, we are looking at these switchbacks in here and looking to modify those in terms of broadening the switchback, the distance between them, reducing the number of them, and opening them out so they're not so tight. Again, all for safety.

This is another realignment, taking the road out of the wetlands. Here's the old road in the wetlands. This road would run along the -- the slope,
the toe of the slope of Silent Hills.

And then this is the realignment going out
to the Liard River. We come down here along the toe of
the slope of the Nahanni range, the front range, and we
cross the -- the Liard River down here and we tie into an
existing logging road that the Community has used and
then we connect into the Community's access road and then
out to the Liard Highway.

The transfer facility would be roughly in
this location. So the road will not go into the
Community. In fact, we specifically will want
contractors not to go into the Community, and that will
be part of the terms of the contracts with contractors
that are involved in the road operation because we don't
want the Community disrupted and we don't want the
negative consequences of having them access the
Community.

So this is what the crossing location
looks like. I'm not sure if I've got this name right. I
wasn't sure if it's Tache or Tanche (phonetic), but it's
-- it's one (1) of the two (2) and you can tell me after
which one. But here's the existing logging road and here
is the -- the -- the proposed realignment here. And the
old road was up there at Lindberg Landing. So the
premise of the road construction is basically because of
the volume of material we have to move out, the tonnage of the concentrate, we have to start fairly early in the winter.

So our proposal is to start building the mine from the west end, which is higher elevation, colder earlier. What helps is that the first 38/39 kilometres is basically an all-season road, or at least it was considered an all-season road when Cadillac built the mine and it was permitted as an all-season road over that stretch.

These days we can't drive it all seasons because there are creek crossings and we would have to have crossing structures and currently we don't have them. So our proposal is we hope to start early in the winter from -- from the western end. And once we get off the -- the gravel section after approximately kilometre 39, then we get into more typical winter road construction.

The first part of the construction would involve low pressure vehicles to move off snow. There'll be a period where the ground is exposed to freezing temperatures to freeze up, and then the next step is the placement of what I'm told is basically a slush. It's a mixture of snow and water. And what this does is it produces a layer of frozen ice, mix -- snow mixture, and
is form -- you get a harder surface to traffic on quicker
than by just allowing the ground to freeze by itself.

In all of the construction, and in
particular in the new realignments, we're going to be on
the lookout for artifacts, cultural resources, anything
out of the ordinary, and we'll have a -- a reporting
system so we can figure out what we've discovered and
deal with it appropriately.

Water sources that we will need for the
road, we don't expect we'll need an awful lot of water,
but we will need some. At this point in time we know we
can get water at the mine, and we know we can get water
at Mosquito Lake because we've done a little bit of work
at this point to indicate that the lake is deep enough.

We will need to do more work. We will
need to do a proper survey of the lake and provide that
information to Fisheries and Oceans to get their approval
before we take water out of the lake, but we're confident
that it will be possible.

We will also look for other water sources,
primarily from lakes. And again, we need to collect more
information at the time and get approval for extraction
for those before we use them. But if we have to rely on
the mine and Mosquito Lake, we can do that. It's just
that we will have to travel greater distances to get the
An important part of the construction will be to protect streams and particuls -- particularly stream banks. So we will be paying attention to measures that we can implement to protect stream banks from damage from the trucks.

In places we may have permafrost, we expect there will be places on the new alignments where there -- there could be some permafrost. And we -- we will need to place some granular material to insulate the permafrost so we don't get thaw and soil movement and instability. Most of that granular material we spect -- we expect will come from the construction of the realignments because there will be some locations where we have to do side hill cuts because we're going across sloping terrain.

There are also some other locations where we know we can get granular material. Along Sundog Creek, for example, there are lots of places where there is coarse talus material from the slopes right next to the road. So we can get that granular material that's outside the flood plain and above the high watermark, and it's readily available. As I mentioned, the construction and the operation of the road will be closely inspected and monitored.
So the schedule that we have come up with at this point, and it's always subject to weather, is that we would hope to open the road from the west and -- December 1st. And at that time we would start to move concentrates from the mine to a midway point that we call a Tetcela transfer facility. So we don't cross Tetcela River because it will take longer for that area to freeze. It's too early to cross in the beginning of December, but we think we can get to a few kilometres before Tetcela River starting December 1st.

So then we will start to move the concentrate to the storage facility. Then the work on opening the rest of the road will then continue, but it will continue mostly from the east and we'll be working on the ice bridge and working on building the road from the other side of the ice bridge west towards the mine.

And the intention is to have the rest of the road open by the middle of January. Then at that time contractor vehicles will come in and collect the concentrates that we've temporarily stored at the Tetcela transfer facility, and then the mine trucks will start moving concentrates from the mine all the way out to the Liard Highway without stopping. And when -- when they've dropped their concentrates, the mine trucks will pick up supplies. They will also pick up some fuel and they will
go back into the mine.

And we expect that that operation will be completed by the end of March. We would hope that it would be completed before the end of March because you never know what weather is going to do. We accept that if we get a warming season, or, you know, warming trend, we may actually have to suspend operations periodically, and we may have to suspend operations early because there's always normally a condition in a land use permit that you cannot cause rutting to the ground.

So we've built conservatism into our transport strategy and it is why we have to start moving concentrate fairly early in the winter to the halfway point to maintain that conservatism in case the weather doesn't cooperate over the whole season.

I've mentioned speed limits for road management. We -- we also plan to have constant radio contact. In this day and age with telecommunications, we think there's no reason why we can't have a tracking system and radio contact with all vehicles so that we can always contact them at anytime during the journey. And -- and they similarly can contact base if there's a trouble or if they need help.

And they can also talk to one another. So they can warn one another when they're approaching and
plan for crossing locations because for most -- for the most part, this will be a single lane road. So there'll be some planning required for trucks passing one another safely.

THE CHAIRPERSON: Maybe I can inter -- interject here for a second because the timeline -- we're already behind schedule a bit here, so is it possible that I could get you to do a wrap up in about ten (10) minutes on this one here?

MR. DAVID HARPLEY: Yep.

THE CHAIRPERSON: Okay. Thank you.

CONTINUED BY MR. DAVID HARPLEY:

MR. DAVID HARPLEY: We've been through a fairly length -- lengthy process of considering how we might respond to spills, both the risk of spills and how we might respond to them. And we plan to adopt a number of strategies to minimize the risks, and firstly to avoid them happening in the first place. And -- but if they do occur, to be ready to respond with people, with materials, and make sure there's a complete cleanup.

As I mentioned, we expect to engage the Nahanni community in operating a checkpoint on the road. We can't stop people using the road because it'll be a public road, but we hope to deter people that shouldn't
be on the road and make them aware that it's a high-
traffic road and there is risk involved. So we will have
signs and we will have a checkpoint.

    I'll skip that. We've been over it. This
is kind of what one (1) of the transfer facilities looks
like. It'll be a structure here, and the concentrates in
bags.

    We've looked at wildlife in the area, and
based on some historical data, we know roughly where the
wildlife are and, also, there may be caribou in this
location. We basically have planned the road operation
to expect animals to be present and to respond
appropriately if they are present. We've assessed the
risks and the residual effects that need to be planned
for. And then we've provided for mitigation.

    We have a management, a monitoring plan, a
number of other plans in addition to the things that I've
mentioned before in terms of speed limits and so on. And
then we have some other strategies for the mine to
minimize impacts on wildlife, the same ones that we have
in place currently and, touch wood, we've had no problems
to date.

    We've planned very carefully for closure.
That whole backfill strategy I talked about is primarily
for safe closure of the mine because, as Alan mentioned,
the mine exists and it discharges water, and if we don't look after it and close it properly, somebody else is going to have to. So our plan is developed to fix that problem. And we will cover the waste rock pile and restore everything so it's back to the natural state.

This is what it looked like before the mine. This is what it looks like now. And we expect when everything is done it'll go back to looking like this after everything is closed. Wilbert...?

(BRIEF PAUSE)

MR. WILBERT ANTOINE: Good morning.

(INTERPRETED FROM SOUTH SLAVEY INTO ENGLISH)

MR. WILBERT ANTOINE: Good morning. My name's Wil -- Wilbert Antoine. I live in Fort Simpson. I've worked for Canadian Zinc for years. I understand a little bit Slavey, so now I switch back to Sla...

(INTERPRETATION CONCLUDED)

MR. WILBERT ANTOINE: My name is Wilbert Antoine, manager for Northen Development Canadian Zinc.
On the question of economic benefits we are doing priority hiring for the Community. You know, it's pretty well straightforward, all the -- the points. If you have any questions, you know, there'll be questions later on.

The priority hiring for the Community just means that, you know, Nahanni Butte will get priority, you know, as -- as long as the -- the -- you have all the -- all the equal opportunities and equal set of -- as long as every -- everybody's on the same page and Nahanni Butte gets the job. I guess that's the -- the most simply put.

And we'll set -- and we'll set aside non-competitive contracts. That just basically means that Nahanni Butte will get specific contract just specifically for Nahanni Butte. Whatever Nahanni Butte points at, they can get those contracts without competition to any of the other Dehcho or the Northern or any other companies that are available out there. Priority owned contracts pretty well means the same thing, so it's pretty well straightforward.

Annual revenue. We -- you know, that -- as long as there's all the contracts, the set-aside contracts, the hiring, everything is -- annual revenue will be flowing into Nahanni Butte from the project.

Percentage of pro -- projects profits is
through the -- the IBAs. There'll be -- through the IBA
with Nahanni Butte there'll be quite a substantial profit
flow going into the community.

   Education funds. I guess that's one (1)
that we are all very proud of. You know, when we -- we
did the IBA with Nahanni we made sure that there was a
lot of opportunity for educating the -- the youth through
apprenticeships, training, mine training society, all
that kind of stuff, and further education. There's quite
a substantial fund available for that, you know, so -- so
that there'll be a lot of opportunity for the -- for the
Community members, the young -- the young folks. That's
who we're really looking after, you know, looking forward
for.

   The anchor tenant in the Band office, we
have agreed that upon completion of the -- the new Band
office we will be anchoring one (1) of the -- one (1) of
the rooms will be one (1) of the -- the most important --
not the most important, I guess, but a very substantial
tenant that will be making sure that the -- the Band
office facility is being paid for.

   Ongoing annual community events. Over the
past three (3) years I've been involved with Canadian
Zinc, and even -- probably even longer. You know, Alan
said he had fifteen (15) years of moving the bo -- for --
the project forward. We have committed to doing a lot of things like the -- the Winterfest for the kids. We -- we have I think a three (3) day program that we put on through their social program right here in this gym. we've had floor hockey and, you know, everyone has a real good time.

And I think some of us older people, as we run back and forth chasing the kids, we lose a little bit of weight, but that's a good thing, I guess. And not -- not only that, but you see the -- the scoreboard, you know, we donated stuff like that, you know, all the tables and chairs for the new gym. The Community wanted stuff like that, community events, barbecues and stuff like that. You know, that's not going to stop just because we got a permit. You know, that's going to be an ongoing thing. So that brings us to that end.

On the social issues programs, I think, like all other diamond mines, where I've worked for six (6) years, a lot of our people, a lot of the people in the Tlicho communities being new to these kinds of benefits and everything else were very in need of money management, that kind of thing, so, you know, we're going to provide that through in-house training and stuff like that.

And health awareness. A lot of the -- the
issues of health, we're going to be having the health -- 
health awareness community or coordinating family 
assistance, one (1) of the plans that we have in the 
works is Employee Family Assistance Programs. I think 
that is pretty well standard throughout all mining and 
all industry-related programs, you know, mining 
companies. I think even the government has that, you 
know, so I'm sure that the -- the folks I see not local 
to the area are very well aware of those kinds of 
programs.

Ongoing community event sponsorship, as I 
said at the end of the last slide is pretty well 
straightforward, you know, we're not -- you know, we're 
going to be continuing everything that we've ever done 
and probably even more as the events continue to roll -- 
roll by.

The Chief and Council will say, Hey, this 
program is coming up, you know, and we'll come to the 
table and we'll be introducing new stuff, youth 
workshops. Youth has always been a very, very important 
part of all the communities. I have attended a lot of 
leadership meetings and functions throughout the Dehcho 
and throughout the north over the past three (3) years 
and I know that every time we have a -- a large gathering 
like this the youth is always very, very important
because they are our future, just as we were the future, like myself just about forty (40) years ago when I started in mining, you know, I was just footloose and fancy free, and devil may care sort of an attitude.

But once you get onto a path then you follow your dreams and here we are. You know, we have the -- the Board, we have Canadian Zinc, we have Chief and Council, we all have dreams, we all were youth at one (1) time and so we have to really look after our youth.

Traditional harvesting opportunities.

With the coming of fall -- fall harvest and all that kind of stuff we -- the -- the plan is to make sure that anyone who requests the time off during the fall harvesting, in particular, you know, which is a very, very important part of the traditions and the culture throughout the north.

I know because, you know, I'm a -- I do recreational fishing, recreational harvesting, and when you -- you get a moose, we all know here in the north that it lasts maybe about two (2) or three (3) days and everybody gets a part of the feast. And, you know, when you come to the -- to a -- the family cookout where you're successful you take a -- everybody takes home a little chunk of meat and -- so that they have a day or two (2) of fine -- fine food.
So that pretty well brings us to the end.

And January the 20th, 2011, was a very, very historic day in Nahanni Butte. Canadian Zinc and Nahanni Butte and we had government people here, we signed a very historic document, the Impact Benefit for Nahanni Butte and Canadian Zinc.

And I think, you know, the Chief and Council were very proud of that. We were very proud, and -- and government was very proud of what we have done -- done. And one (1) of the things that I personally told Minister Bob McLeod was that in the Dehcho when you look around there's very, very little industry, and it took one (1) of the smallest communities in Dehcho to lead the way. And I think that speaks very, very loudly and very significantly for Nahanni Butte.

So like the sign says, mahsi Cho.

THE CHAIRPERSON: Thank you. Thank you for the presentation. And looking at the clock here, it's quarter to 12:00. We started a few minutes late this morning. And I wanted to try to keep everybody on track in terms of the presentation. And I'm trying to encourage again everybody to maintain the timeline we have so that we can try to keep the -- to the agenda.

So what I'm going to do is we're going to continue on, and we'll -- rather than take a full hour
for lunch, I think we'll take a half hour to make up the
time we lost and so that we could continue on with the
agenda, like I said earlier.

So I'm going to go to the Nahanni Butte
Dene Band, if they have any questions or concerns in
regards to the presentation made. And, for the record,
if you could just state your name.

QUESTION PERIOD:

CHIEF FRED TESOU: Chief Fred Tesou.

It's -- the question is -- is about discharge, any other
company that you know of that uses this system?

MR. DAVID HARPLEY: Dave Harpley. Fred,

I think most mines in Canada discharge water. They have
different ways of doing it, but most of them do.

Certainly the -- the diamond mines do. In terms of the --
- if you're referring to the pipeline method, the -- the
buried trench method, we're not aware -- other mines
specifically using that approach.

There are examples of other industries
that use a similar approach for discharge with some
differences, but the -- the essential mechanism from a
technical perspective is fairly similar.

THE CHAIRPERSON: Any further questions

for Nahanni Butte Band?
CHIEF FRED TESOU: If the system don't work do you have any other -- like a backup -- backup plan on...

MR. DAVID HARPLEY: The -- the trench system will actually consist of two (2) pipes, not one (1). The -- probably the biggest environmental issue with putting in the system is just that it's the construction, the disturbance of the bed, and then the recreation of the bed to what it was before we started. So we figured if you're going to disturb the area we might as well put in two (2) pipes. So basically we will use one (1) for operation, and then the second one (1) is either being maintained or it's available as a backup, and we could switch to the other pipe if we need to.

But each one of these pipes will contain a kind of mini pipe within it. And what this is is it's basically a clear-out pipe. We can -- we can put compressed air in the small pipe and move any debris that might be blocking the pipe or accumulating.

But these pipes will also have screens on the opening, so we won't just let the discharge flow into them without control. The screens will filter out any material before it gets into the pipe and potentially cause a blockage.
Not that we expect that there will be much
in the way of material because, you know, most of the
water in the pond that's going into the pipe is coming
out of the treatment plant and will already have gone
through those big vessels that take out all the sediment.
So, you know, we've built in a number of
different measures to ensure that the system will work
effectively.

THE CHAIRPERSON: Any more questions for
Nahanni Butte First Nation?

(BRIEF PAUSE)

CHIEF FRED TESOU: I'll ask my members,
if anyone wanted to speak, feel free.

THE CHAIRPERSON: Yeah, go ahead there.
Anybody from the Nahanni Butte, any Band that have
comments or questions for the proponent, Canadian Zinc?

(BRIEF PAUSE)

CHIEF FRED TESOU: I guess I got one (1)
more question, I guess. It's about the tailing pond in
the winter, and you don't do discharge in the winter?

MR. DAVID HARPLEY: We will continue to
do discharge in winter. The old tailings pond will be the water storage pond. So it will still function in winter, it will still receive water, and it will still send water to the treatment plant, so there'll be a discharge.

In -- in mid-winter, like February/March time, we've already said that we won't be discharging treated water from the mill, it will just be the mine water. The creek, although it will be frozen on surface, and there'll be snow, there's still water underneath and that's another advantage of the -- the pipe that's buried.

It will st -- it will be discharging water in an ice-free environment. The quantity of the water being discharged will be a lot less in winter. Part of our water management approach is, you know, we store as much as we can in the big pond and -- and -- over the wintertime, and then we treat as much as we can in the summertime. So there'll be a small amount of discharge in wintertime of primarily mine water, but there still will be some.

THE CHAIRPERSON: Okay. Thank you. Nahanni Butte Band, any further comments or questions, or Community members? If there is, we'd appreciate it if
you could come up to the mic and, again, state your name if you're going to speak.

(BRIEF PAUSE)

THE CHAIRPERSON: Okay. Any more comments or questions, Chief?

CHIEF FRED TESOU: Not right now, maybe later on.


Okay, I'm going to go to my Board members if there's any comments or questions to the proponent on their presentation. I'm going to go to my far right, Board member, Peter Bannon?

MR. PETER BANNON: No.

THE CHAIRPERSON: Okay. No questions.

Board member, Danny Bayha?

MR. DANNY BAYHA: No.

THE CHAIRPERSON: Board member, Richard Mercredi...?

MR. RICHARD MERCREDI: No.

THE CHAIRPERSON: Board member, Rachel Crapeau?

MS. RACHEL CRAPEAU: No.

THE CHAIRPERSON: Board member, Percy
Hardisty?

MR. PERCY HARDISTY: No.

THE CHAIRPERSON: Board member, James Wah-Shee?

MR. JAMES WAH-SHEE: No.

THE CHAIRPERSON: Board member, Darryl Bohnet.

MR. DARRYL BOHNET: No, I don't have any questions. I understand we're going to have the same presentation again tomorrow, maybe a little more -- more in-depth and -- and I'll hold until then, thanks.

THE CHAIRPERSON: Okay. Thank you very much. We'll stop there. We'll take a half hour lunch break from -- and we'll ask everybody to come back at 12:30. We'll start -- Mahsi.

--- Upon recessing at 11:54 a.m.

--- Upon resuming at 12:35 p.m.

THE CHAIRPERSON: Okay, we -- the next part of the agenda we have is INAC that's going to do a presentation. While they get set up here I just want to let people know that after INAC we have Parks Canada, and then questions from the Community to the developer and parties.
And I would just like to encourage the Community members to come up and speak. The Board is here to listen to your issues and concerns, so we encourage you to do that. And I know sometimes we might be shy or that kind of thing, but I always think about how the Elders used to tell us, that, you know, when you're going to speak, speak from your heart. So, anyway, we encourage that.

While we're just getting set up here, yesterday was Aboriginal Day. I just want to say Happy Aboriginal Day to everybody here in the Community. So we're almost ready to go. So I want to turn over the mic to INAC. I think we're ready to go, so.

(BRIEF PAUSE)

THE CHAIRPERSON: Okay, I think everybody's -- if we could ask you to come in and sit down, and we'll start. And I want to go ahead and turn it over to Indian and Northern Affairs. Again, when we -- after the presentation is done I'm going to ask the Nahanni Butte Dene Band if they have any comments or questions to the presenter. And then I'm going to go back to our board members. And we'll continue on next to Parks doing the same thing as well.
So, with that, I want to turn it over to INAC. But before we turn it over to INAC, to the presenters and people speaking, again, if you could state your name and who you represent. Also, I think we got to watch out for our translators in the back. And if we're going a little bit too fast just wave at us. And we'll -- we encourage the presenters to slow down a bit.

So, with that, I'm going to turn it over to INAC.

PRESENTATION BY AANDC:

MS. TERESA JOUDRIE: Thank you. Good afternoon, Mr. Chair, Board members, Chief, counsel, ladies and gentlemen. My name is Teresa Jourdrie, and I'm the director of Renewable Resources and Environment with what is now called Aboriginal Affairs and Northern Development Canada.

Before I get started I would actually like to thank the Community for having us and we really appreciate the opportunity to be here to express our concerns with the file and -- and to open a dialogue with the Can. Zinc, as well as thank whoever arranged for the lovely lunch. That was bang on, so thank you so much.

As I mentioned, I appreciate the opportunity to present here in the community of Nahanni
Butte, and what I'd like to do is summarize our technical report on the Prairie Creek mine project as currently presented by Canadian Zinc Corporation.

We have some handouts of our presentation and we also have a glossary of terms and acronyms for those of you who wish to refer to that. And they are at the -- the side table over there. As the Department of Aboriginal Affairs and Northern Development, our goal is to -- is to support sustainable development activities in the Northwest Territories that respect the values and interests of the communities and are carried out in an environmentally sound manner.

From our technical review of the information provided by the developer we have three (3) main areas of concern. These include water quality, water management and storage, tailings management and storage. These three (3) issues for us are intertwined with respect to the potential for impacts to the aquatic environment.

Aboriginal Affairs and Northern Development Canada also has concerns with respect to post closure of the mine as well as the proposed access road to the mine. The department has legislative responsibilities for land and water management within the NWT. One (1) of these responsibilities is to provide
technical advice to resource management boards to assist in their decision making processes.

Our recommendations within our technical report are made with the intention of assisting the Board in its decision-making process. If insufficient information is available to make a determination of significance, AANDC attempted to clarify for the review board and the other parties why we were unable to reach such a determination and to present a possible path forward to resolve any outstanding issues. And it's within that context that I'm going to make my presentation.

The first topic I'm going to discuss is water quality. Canadian Zinc will have to discharge effluent into Prairie Creek during the operation of the Prairie Creek mine. Prairie Creek is a tributary of the South Nahanni River and the mine is approximately 7 kilometres upstream of the Nahanni National Park Reserve boundary.

The developer has agreed that site specific water quality objectives, or SSWQO, for Prairie Creek are required and necessary. What is a site specific water quality objective? Well, it's the standard of water quality to be met at a defined location downstream of the development.
We are of the opinion that these site specific water quality objectives must be developed in such a manner that they consider the natural variability of Prairie Creek, and, as a starting point, the true reference condition or the background condition of Prairie Creek. Once that reference condition has been established the associated site specific water quality objectives will be generated that reflect the natural range of variability that exists. And this is what we refer to as the reference condition approach.

This philosophy is consistent with the intent of the NWT water stewardship strategy that was jointly released by the Government of the Northwest Territories and the department in May of 2010. This document outlines a strategy for protecting and preserving northern waters such that they will remain clean, abundant, and productive for all times. Following the establishment of these site specific water quality objectives based on defensible reference conditions, discussion amongst interested parties is required to determine the appropriateness and practicality of these objectives.

We believe that the establishment of appropriately protective site specific water quality objectives are imperative to ensuring that potential
impacts from the project do not occur. And it's for this reason that we recommend that the process be completed prior to the -- to the completion of the environmental assessment.

I'd also like to state that INAC -- or sorry, AANDC does not expect that all of the parameters considered for waller -- water quality objectives be at background levels or the use -- the strict use of the reference condition approach. If it is practical and possible to meet background levels for water quality objectives, then those should be considered. If not, an explanation as to why they cannot be met and what the levels would be should be discussed.

We would like to see objectives be established that minimize impacts on the receiving environment. So this includes any accumulative impacts or chronic effects on habitat.

These objectives need to consider the ecological values that are important to the Community. We recommend that all parties to the EA, including the developer and the Community work together during the EA to determine what these water quality objectives would be. We'll be discussing this position further during the technical session in Fort Simpson.

Moving along to water management and
storage, which is of concern to us, as it's crucial for
the developer's ability to meet these previously
discussed water quality objectives. Canadian Zinc's
approach to respond to water management issues is to
store more water on site in the water storage pond, or
the WSP, and this -- this space available in the water
storage pond for additional water storage is limited.

Depending on the nature, timing and
frequency of potential changes to the discharge plan over
the course of a year, the space in the water storage pond
could be exceeded in a matter of days. We recommend that
the Water Management Plan clearly illustrate what the
available water storage on site is, and that it is
sufficient to still meet the site specific water quality
objectives that we -- would be developed as I've
previously outlined.

In addition, and adding to the water
management concerns, are our concerns with tailings
management and the paste backfill plans. Based on
conservative calculations carried out by our consultant,
additional storage of tailings on surface may be required
during and after mine operations.

Canadian Zinc's current plan is to store
additional tar -- tailings in the water storage pond.

Increased tailing storage on the surface in the water
storage pond will have critical implications for water storage, which is explained -- which I've explained is limited and will affect the ability for Canadian Zinc to meet its site specific water quality objectives.

In addition, further information is required on how the potential storage of tailings impacts other surface factors into their closure plan. Considering what we've -- what I've mentioned on tailings management, we must be confident -- the department must be confident that the tailings backfill plans and temporary storage available during mine operations is adequate.

Now I'm going to talk about the Aquatic Effects Monitoring Plan or AEMP. Once the site specific water quality objectives are established and the mine is in operation, it is imperative that an extensive yet appropriate AEMP is implemented for the Prairie Creek Mine to ensure that limits and objectives are doing their job and providing adequate protection to the aquatic receiving environment.

The Department defines aquatic effects monitoring as watching closely for changes to the water environment through observations or measurements, both traditional, knowledge based, and western science based observations, provide information on the quality of
water, the amount of water, the health of fish and insects, or organisms that live in that water.

Aboriginal Affairs and Northern Development Canada is pleased that the developer has committed to developing an AEMP in accordance with our guidelines for designing and implementing aquatic effects monitoring programs for the development projects in the NWT from 2009. However, we feel that there are some key components missing. We're also pleased that the developer has committed to revisit and revise the AEMP and we look forward to working with the developer in this regard.

The Department takes the position that a mine must be planned for closure. A key issue for consideration during the assessment process is whether a proposed development can be closed properly. If a mine cannot be closed properly, then it could -- then it should probably not be developed.

Our mine site reclamation policy describes this position in greater detail. Documents provided by the Canadian Zinc to date provide minimal assessment of post-closure impacts. We are of the opinion that there is potential that tailing storage will be required post-surface closure -- or required on surface post-closure. This possibility has not been addressed or described to
date. We recommend that Can. Zinc develop a preliminary closure and reclamation plan during the regulatory phase prior to water licence issuance.

This plan must be developed in consultation with regulators, stakeholders, and other interested parties, and should be developed in accordance with the mine site reclamation guidelines or -- from 2007 or any subsequent version that's generated.

Can. Zinc proposes to use a winter road to supply the mine as well as remove concentrate. The road will be constructed over sensitive terrain, and the loads include hazardous material, such as fuel and sulfuric acid.

We are also of the opinion that permafrost may be encountered at certain points during the route. We have concerns with several aspects of the road, including -- during construction and operation, specifically with land disturbance, permafrost degradation, sediment inputs, post-closure for the road, and spills. We recommend that these concerns be addressed and we have made recommendations in our technical report to address them.

So that's the end of the summary of the technical report. And I'd like to state that we are of the opinion that the location of Can. Zinc's proposed
Prairie -- Prairie Creek mine presents a unique challenge for balancing the economic benefits of development against the need to protect special places and uphold the NWT's vision for water stewardship.

Effluent from the proposed development will be discharged into Prairie Creek approximately 7 kilometres upstream of Nahanni National Park Reserve. The Nahanni National Park Reserve has been afforded special status as a national park -- as a nat -- at national and international levels as a national park, a UNESCO World Heritage Site and a Canadian Heritage River. We believe that the level of protection required for Prairie Creek must consider and be adequate to protect the conditions both within the creek and downstream from it.

Based on the information that we have reviewed to date, we are of the opinion that Prairie Creek Development as proposed currently poses a high level of signi -- of risk for significant adverse impacts to water. This stems from uncertainties related to the developer's method for developing site specific water quality objectives, the proposed water balance and water storage strategy, and tailing storage.

We believe that the cumulative impact of these outstanding issues relate directly to assessing the
impacts of the proposed project on the receiving
environment and, therefore, are most appropriately dealt
with during the environmental assessment phase.

To this end, we have proposed a path
forward to the Board in an effort to resolve these
outstanding issues prior to the closure of -- of this
process. We are committed to working with all of the
interested parties towards a resolution of these
outstanding issues during this process, and we look
forward to having the Board's decision in this regard.

Thank you.

THE CHAIRPERSON: Thank you. Thank you
for your presentation. Thank you for keeping it short
compared to fifty-three (53) pages we had initially, so I
want to say thank you for that, mahsi.

MS. TERESA JOUDRIE: That's tomorrow.

QUESTION PERIOD:

THE CHAIRPERSON: That's tomorrow. Okay,
that's good. I mentioned earlier that we're not going to
do any cross-examination. So today what we're going to
do is we're just going to go back to the Nahanni Butte
Band to see if there's any questions for INAC. Chief
Fred Tesou...?
(BRIEF PAUSE)

THE CHAIRPERSON: Okay, none for the record. I'm going to go to my -- I'm going to go to my far left. I'm going to go to Board member Darryl Bohnet. Any questions for INAC on their presentation?

MR. DARRYL BOHNET: Yes, thank you, Mr. Chair. When I look at these recommendations I -- I can't help but wonder why the presentation is made to this Board rather than the Land and Water Board where they have many tools available through the water licensing process and the land use permits to deal with -- with things like the road and things like that.

So can you elaborate on why your department is -- is presenting to this degree of detail? Thank you.

THE CHAIRPERSON: Thank you, Mr. Bohnet, and I'm going to go back to INAC.

MS. TERESA Joudrie: Thank you. Teresa Joudrie. What we've looked at through this process is to gain enough clarity and enough assurance that if there are significant impacts that they will be addressed. As we're unable to -- we can't look at one (1) factor at a time. There -- there are several outstanding issues, and so we'd like to have clarity
around all of those as best as we can before we get into permitting because that will really determine what, if any, there -- impacts there are in order to assess significance.

THE CHAIRPERSON: Thank you, Ms. Joudrie. I'm going to go to Mr. Darryl Bohnet, Board member.

MR. DARRYL BOHNET: No, that's good.

Thanks.

THE CHAIRPERSON: Thank you, Mr. Bohnet. I'm going to go to Mr. James Wah-Shee, Board member, questions.

MR. JAMES WAH-SHEE: I don't have any questions, Mr. Chair, thank you.

THE CHAIRPERSON: Thank you. I'm going to go to Board member Percy Hardisty.

MR. PERCY HARDISTY: No questions, Mr. -- Mr. Chair.

THE CHAIRPERSON: Okay. Thank you. I'm going to go to Board member Rachel Crapeau.

MS. RACHEL CRAPEAU: No question.

THE CHAIRPERSON: Thank you. I'm going to go to Richard Mercredi, any questions?

MR. RICHARD MERCREDI: No questions at this time.

THE CHAIRPERSON: Thank you. I'm going
to go to Mr. Danny Bayha, Board member, any questions?

MR. DANNY BAYHA: Thank you. I just had a -- one (1) question, Mr. -- Mr. Chair. Earlier when -- in your presentation you mentioned -- if I can quote you, it says:

"If -- if a mine cannot be closed properly, maybe it shouldn't be developed."

Can you elaborate a bit on -- on -- or clarify what "properly" means in -- in your own mind? Thank you.

THE CHAIRPERSON: Thank you, Mr. Bayha. I'm going to go to INAC to Teresa Joudrie.

MS. TERESA JOUDRIE: Thank you. Teresa Joudrie. I can't get into precise detail on that, it's a highly technical set of circumstances, but that is why we're recommending that the mine site reclamation -- or closure guidelines are followed, so that everything is done in accordance to minimize any post-closure impacts that may -- may come about.

THE CHAIRPERSON: Thank you, Ms. Joudrie. Mr. Danny Bayha.

MR. DANNY BAYHA: Thank you. No further questions.

THE CHAIRPERSON: Thank you. I'm going
to go to Board member, Peter Bannon. Mr. Bannon...?

MR. PETER BANNON: No questions today,

Mr. Chairman.

THE CHAIRPERSON: Okay. Thank you very much. I want to say thank you to INAC for your presentation, Ms. Joudrie, and there'll probably be some more tomorrow, so for now we'll move on. Thank you very much. There'll probably be some questions maybe tomorrow. So, Mahsi.

Okay. I'm going to go to Parks Canada next and -- on their presentation. And then after that we'll go to the Nahanni Butte Band for their presentation.

(BRIEF PAUSE)

PRESENTATION BY PARKS CANADA:

MR. MICHAEL SUITOR: Thank you very much. My name is Mike Suitor. I am from Parks Canada in Fort Simpson. I work for Nahanni National Park Reserve, and I'm here today to present the opinion of Parks Canada on the proposed Prairie Creek mine presented by Canadian Zinc Corporation.

As many of you are aware, Nahanni National Park expanded in 2009. It in -- includes the contiguous
green area here. During the expansion there was an area
that was left out of side of the expansion, this little
what we call the donut hole, or the enclave within
Nahanni National Park, and that's where the Prairie Creek
mine is situated.

Although the --

THE CHAIRPERSON: Excuse me for a second.

My translator is waving at me, so if you could --

MR. MICHAEL SUITOR: Yeah, okay.

THE CHAIRPERSON: -- slow down just a

bit. Thank you.

CONTINUED BY MR. MICHAEL SUITOR:

MR. MICHAEL SUITOR: Although the mine
itself is not situated inside Nahanni National Park, the
road itself will be -- approximately half of it will be
inside the park, and any effluent or releases that occur
at the Prairie Creek mine site will enter Nahanni
National Park after about 7 kilometres. And it will
remain there for some distance.

The area is Dehcho First Nations'
territory. Dehcho First Nations, and Nahanni Butte, in
particular, have played a vital role in the expansion of
Nahanni National Park Reserve. They continue to play a
very vital role in the management of Nahanni National
During the environmental assessment Parks Canada has focussed its review on the two (2) major elements of the project, the road and the mine. Specifically with regard to the road, we looked at impacts associated with spills, the actual road construction, karst landscape features, impacts to vegetation and wildlife.

With regard to mine issues, we specifically focussed on the quality of water that would come from the mine site and any monitoring that might be associated with it to ensure that the quality of water entering Nahanni would be of a high quality.

We looked at it both through the operations as well as through the post-closure period. So what I'd like to do here is just look at a couple of these major issues. And I'll start with spills. And then I'll look at wildlife. And then we'll look specifically at the water quality.

For spills, we consider this area to have a high probability of a spill occurring. This is through a very mountainous landscape. As you can see, this is an elevation map. It basically depicts how much elevation gain and loss there is on the road.

When you're in steep terrain you tend to
have a higher probability that you will have a spill.
Large sections of the road do have this high probability.
The other component of understanding risk is the
consequence of a spill if it were to occur on a piece of
landscape.
Here we have a situation where the road
will cross through many sensitive aquatic ecosystems.
It'll go through areas where spill recovery may be very
challenging and where important habitats for things like
bull trout or grayling may occur in proximity to the
road. And if a spill were to occur, the consequence
would be very high.

What these slides depict right here, some
of the pictures, is one (1) such area. This is an area
where the road comes along just on top of this hill, and
below it is known spawning sites for bull trout. If a
spill were to occur to here, the consequence would be
very high and the impact would be very large.

With regard to the wildlife, much of the
information that was presented in the developer's
assessment report was old and of limited utility, from
our perspective. It was approximately thirty (30) years
old.

Working -- Parks Canada worked with
Canadian Zinc and other parties this past winter, and we
went out and we did a good assessment of wildlife along the road. What this map depicts is some of the results of that. You can see the road. Nahanni Butte is located about here. The road comes up through here, I believe, and then terminates at the mine site right here.

The dark coloured polygons in this case would be areas where there's a high probability of caribou occurring or caribou have occurred throughout the area. So basically dark orange or any colour, there's probably caribou in that area.

Many of the mitigations that have been put forward to date do address some of the impacts. Many of the impacts were identified by the developer. However, only some of the impacts have been mitigated to date, most of those relating directly to direct mortality on the road. However, many other impacts remain that need to be addressed.

And with particular respect to caribou, who are species at risk, listed species on Schedule 1 of the Species at Risk Act, this is of particular importance because both Parks Canada as well as the review board itself has mandate re -- responsibilities during the environmental assessment process to ensure those impacts are minimized to the fullest that we can and that those mitigations are monitored through time to ensure that the
caribou are not being impacted.

We've -- Parks Canada has made several recommendations on managing traffic to help minimize some of those impacts and has made some recommendations with regard to monitoring to help ensure that those impacts are minimized by the development.

With respect to the road, we consider the road has been developed at this point at a very conceptual level. The road traverses extreme topography. It goes through areas that are very mountainous. It goes through karst landscape, such as depicted here. Large sinkholes do occur along certain portions of the road. The road goes through areas where landslides and rock slides can occur onto the road, where powerful mountain streams abut against it and can wash out the road itself, as we have seen from the existing road. So there is need for careful design considerations to ensure that all of the impacts that could occur are minimized.

Right now, there's a considerable level of uncertainty, and one (1) of those uncertainties is where many of these mitigations may be applied. And if only one (1) of those uncertainties existed it wouldn't be such a significant issue. However, because we're at such a conceptual level and many of the mu -- mitigations are unknown or unknown
where they'll be applied, it's uncertain whether some of those mitigations may conflict. So, for example, we may put up barriers to ensure that spills don't occur, but are those barriers in an important location for caribou? It might block passage for caribou. We may have to do avalanche control along the road. However, where will that avalanche control occur and could that impact other wildlife. And there's several examples of that.

So basically what this comes down to is that it becomes very difficult for us to predict what impacts that will be caused by the road because of the great amount of uncertainty that there is.

Shifting to the mine site itself and looking at water quality, when we reviewed the mine site development and the effluent and site specific water quality objectives like we heard, Parks Canada reviewed it to ensure that the water -- the quality of the water entering the park would be protective of aquatic life and we'd ensure that water was of a high -- high standard.

And, specifically, if you were to look at what are the terms of reference and what our scope and submission had within it, you'd see these two (2) major terms that we looked at or that we suggested should be a standard, one (1) being the physical processes, so
actually the chemicals that go into the water and what the chemical composition is of the water, and, ultimately, what that means for life, so aquatics and algae.

What this means is ultimately we need to ensure that the effects of mine effluent on all the components of life in Prairie Creek, including on fish and the potential for impacting things like the fishery at the mouth of the creek, are known and are acceptable to all parties.

Based on the information provided to date, we do not believe that Canadian Zinc has adequately demonstrated that the development will not negatively impact water quality and, therefore, the health of Prairie Creek.

Some effluent objectives are outside the typical water quality ranges in Prairie Creek. And the predictions show that if the mine release water, according to the water licence limits proposed, it would result in poorer water quality than what is found in Prairie Creek right now.

After we are -- after closure, we are considering that some of the predictions that INAC has just demonstrated to us with regard to tailings and whether tailings would all fit inside the mine, we're not
certain whether all those tailings will actually go inside the voids and no method has been proposed on what we'll do with those tailings if they remain on the surface, and there's obvious consequences for that. And, therefore, we don't know what potential impacts could be. And while we aren't able to make specific recommendations on many of those concerns that we just outlined, we can recommend still that monitoring should occur within the Park to ensure again that the water that is entering the Park is of the highest quality, and that a decision response system should be put in place to ensure that we can act on any of the changes that might occur through the life of the mine, as well as after. However, monitoring alone is not sufficient and we feel that the existing information does not provide the confidence that the proposed approach will approach or mitigate any potentially significant impacts on the mine site to Prairie Creek's aquatic ecosystem. So, in conclusion, cumulatively we see that there are a number of areas where impacts are uncertain and -- and could be significant and they could be adverse, and this ultimately affects the ecological integrity of Nahanni National Park. With that -- respect to that, however, we are interested in working with the
other parties and with the developer and the communities
to try to come to a conclusion on many of these points.

And we thank the Board for hearing the
presentation today. Mahsi cho.

QUESTION PERIOD:

THE CHAIRPERSON: Thank you for your
presentation, Mr. Suitor. Before I go to Nahanni Dene --
I'm sorry, Nahanni Butte Dene Band for comments and
questions, I -- I wanted to just make an acknowledgement
of the Nahendeh MLA, Kevin Menicoche. I see him here
somewhere. I just want to acknowledge you, as well.

Also former chief for Liidlii Kue First
Nation, Keyna Norweigan. She's here, as well, somewhere.
She's also appointed to the Mackenzie Valley Land and
Water Board so I just want to congratulate her, as well.

So -- and if I -- I'm not sure if I see
the former chief here but if he's here I'll acknowledge
him a little bit later, but for now I was going to go to
the Nahanni Butte Dene Band if you've got any comments or
questions or statements for Parks Canada?

CHIEF FRED TESOU: That's a correction.

It's Nahanni National Park Reserve is that correction?

MR. MICHAEL SUITOR: Sorry?

CHIEF FRED TESOU: That's still as a
reserve?

MR. MICHAEL SUITOR: Yes, that's correct.

THE CHAIRPERSON: Thank you. So, Chief, there's no questions for Parks other than that from Nahanni Butte?

No? Okay. None. Thank you. Okay. I'm going to go to the Board members if there's any comments or questions for Parks Canada. And I'm going to go to my right, Peter Bannon, Board member.

MR. PETER BANNON: Thank you. I have no questions at this time.

THE CHAIRPERSON: Thank you, Mr. Bannon. I'm going to go to Mr. Danny Bayha, Board member.

MR. DANNY BAYHA: Thank you, Mr. Chair. I just had a question. You mentioned earlier that this mine development is not within the boundaries of -- of the Nahanni Park but in -- in a presentation there's an expanded version. That expanded, is that a future park? Sorry, can you elaborate on that? Thank you.

THE CHAIRPERSON: Thank you, Mr. Bayha. I'm going to go to Parks Canada, Mr. Mike Suitor.

MR. MICHAEL SUITOR: I'll just flip back to the slide show and the map. The expansion occurred in June of 2009. The old park boundary you can just barely
see it along here. The new green boundary is the new National Park Reserve. However, the area, as you can see, around Prairie Creek is not part of the National Park. So the par -- the mine itself does not fall within the Park, just the road, the proposed road that Canadian Zinc has.

THE CHAIRPERSON: Thank you, Mr. Suitor.

Mr. Danny Bayha, any questions?

MR. DANNY BAYHA: Yes, thank you. Just a follow-up question. I think -- or not -- not a follow-up but earlier in the presentations you talk about spills. You weren't very clear on exactly what you're talking about as the spills in terms of fuel spills, in terms of the -- the concentrates when they're travelling. Is that just a general assumption, any kind of spill would be very hazardous to the area? Thank you.

MR. MICHAEL SUITOR: Thank you. Mike Suitor. Yeah, the predominantly -- when we talk about spills we're talking about spills that would occur along the road and because half of the road is within the National Park Reserve, we do have concerns that those spills could impact the ecological integrity of Nahanni National Park Reserve.

THE CHAIRPERSON: Thank you, Mr. Suitor.

Mr. Bayha...?
MR. DANNY BAYHA:   Thank you.

MR. RICHARD MERREDI:   No questions at this time.

THE CHAIRPERSON:   Okay. Thank you, Mr. Mercredi. To my left, Rachel Crapeau, any comments or questions?

(BRIEF PAUSE)

MS. RACHEL CRAPEAU:   My one (1) question that I had was you mentioned that the -- the Company information does not provide confidence in -- in -- for you to believe that there will be mitigation for the significant impacts to the Prairie Creek aquatic ecosystem.

Is -- is there a -- a lot of water, streams, and runoff that -- that you're really particularly concerned over -- about?

THE CHAIRPERSON:   Thank you, Rachel Crapeau. Parks Canada, Mike Suitor.

MR. MICHAEL SUITOR:   I think our concern is primarily around the -- the effluent that would be released at the Prairie Creek Mine, which after about 7 kilometres would enter into the Park and remain there for approximately another 100 or so kilometres.
THE CHAIRPERSON: Thank you. Ms. Rachel Crapeau.

MS. RACHEL CRAPEAU: Can you just show me on the map behind you which way the water's going to be going and where the effluent's going to be discharging into and how it's going to go?

MR. MICHAEL SUITOR: Certainly. So you'll see at the point here this is the Prairie Creek Mine site, again, outside the Park. However, in about 7 kilometres it enters the Park and then it flows down into Deadman's Valley and enters into the South Nahanni River. From there it continues downstream, exits the Park, and then comes by Nahanni Butte.

THE CHAIRPERSON: Thank you. Rachel Crapeau.

MS. RACHEL CRAPEAU: Thank you. That's it for today.

THE CHAIRPERSON: Thank you. I'm going to go on to Percy Hardisty.

MR. PERCY HARDISTY: Mahsi, Mr. Chair. I don't particularly have any questions today. Mahsi.

THE CHAIRPERSON: Thank you. Mr. James Wah-Shee.

MR. JAMES WAH-SHEE: I just have a -- a question of clarification. That little donut there where
Prairie Creek Mine site is, does the National Park have jurisdiction within that donut?

THE CHAIRPERSON: Thank you, Mr. Wah-Shee. Mr. -- Mr. Suitor -- Mike Suitor, Parks Canada.

MR. MICHAEL SUITOR: Within the area outside the National Park, which would be where the mine site is within the donut hole, Parks Canada does not have jurisdiction. We just have jurisdiction within the green highlighted area in there, which is part of the National Park Reserve.

THE CHAIRPERSON: Thank you. Mr. James Wah-Shee. Thank you, Mr. Wah-Shee. I'm going to go to Mr. Darryl Bohnet.

MR. DARRYL BOHNET: Thank you, Mr. Chair. My -- my question I need a little bit of help on the jurisdiction that Parks Canada has within the Park is outside Mackenzie Valley Act, right? So how -- how is Parks Canada going to deal with the -- the road issues within their jurisdiction?

THE CHAIRPERSON: Thank you, Mr. Bohnet. I'm going to go back to Parks Canada, Mike Suitor.

MR. MICHAEL SUITOR: Actually, I believe the National Park does fall under the Mackenzie Valley Resource Management Act. However, we are governed by the Canadian National Parks Act as well. In our regulations
we do have a number of regulations that are traditional of the National Parks that we can use for an assortment of developments.

Obviously mining is not something that's typical in or adjacent to a National -- or within a National Park I should say. During the Park ex -- expansion there were two (2) sections that were written specifically for the Prairie Creek Mine development, or I should say one (1) section that was written specifically for the Prairie Creek section, and there are sections that allow us to deal with a mining road to occur in the National Park. And that's one (1) of the reasons that we're here today.

THE CHAIRPERSON: Thank you, Mr. Suitor.

Mr. Bohnet...?

MR. DARRYL BOHNET: Yes, I understand that. The -- the -- I'm -- I'm concerned or -- or have -- I want to know how it's going to work if within your jurisdiction within the Park, if the Land and Water Board issues terms and conditions for that road, will the Park's terms and conditions mirror those, or will they be more stringent or more relaxed.

I don't know how that's going to work because the -- the terms and conditions for the road outside the park I understand, but I don't understand how
Parks will deal with their portion within their jurisdiction, and so I need a little bit of help on that, please.

THE CHAIRPERSON: Okay, thank you, Mr. Bohnet. Parks Canada, Mike Suitor?

MR. MICHAEL SUITOR: Parks Canada will work with all of the regulatory bodies, of which we are one (1) in this case. There will be slight differences that will occur within the National Park because of the Parks Act. However, most of the -- most of the regulations -- or -- or permit stipulations that will be placed, we would try to work with the Mackenzie Va -- Valley Land and Water Board to -- to arrive at a consistent approach.

THE CHAIRPERSON: Thank you, Mr. Suitor. Mr. Bohnet...?

MR. DARRYL BOHNET: Yes. Thank you. That's -- that's it.

THE CHAIRPERSON: Okay. Thank you very much. I think we overlooked one (1) Elder in the back that may have a question. But I had a -- before we go to the Elder there, the question that might be, would it be for Parks Canada or the proponent? In either case, we can hear it. And then it may be directed to Mike Suitor, or we may refer it over to Parks -- sorry, Canadian Zinc.
So I'll go ahead and listen to what the Elder has to say. If you could just state your name.

(EINTERPRETED FROM SOUTH SLAVEY INTO ENGLISH)

ELDER ELSIE MARCELLAIS: I want to say something, a very short statement. I want us to protect our watershed. We had talked about it in the past. I don't know how many times my husband had told me, and he said, This is our land, and if they take all the zing (phonetic) from the land, it's on our land, and so please make sure to protect the land, the water.

And now we're talking about the future of our children. And -- and that's the reason why there's people staying at the Park who are there to protect the watershed. And if there's anything wrong with us, make sure you tell them, use questions and statements.

That was what my husband stated to me. He is not here with me. He has passed on, so I'm all alone. So whenever -- he said, Whenever there's a meeting, please attend and express your concern and because you're -- we are thinking about the future of our young generation. And I'm thinking about the water. That's the reason why I'm talking about this.

I'm not thinking about this only for us,
but what if the water gets -- and if it's not very good
here and it's going to go right down to the river, to the
Mackenzie River. And then it's going to destroy our fish
and everything that's contained in the water. And there
are people that go hunting up the river, up Nahanni
River, and they always drink water. And now we're afraid
to even scoop water right from the river.

And even now they're starting to work up
on the Prairie Creek mine. And even when there's a lot
of rain you get a lot of water. And we are wondering if
there's a lot of rain will it go over the tailings pond,
like the water would seep over, then it will run into the
waterways.

I don't really want to be -- attend here.
I don't want to be here. I'm not the kind that run all
over the place. I always stay at home. And I always
worried about my husband. I was afraid he was going to
fall or hurt himself. But, now, as I'm thinking, it's
just like I'm rushing thinking that he's at home waiting
for me.

So he told me to state my -- express my
concern is that's the reason why I'm telling you this
today. Even though I say I don't want to come here, but
I'm thinking about the water and the future of our
children. That's the reason why I'm here today.
And I said there is a lot of things --
they're working with the thing. They're alway -- if
they're talking about the Park, it would -- and at the
time when my husband was alive he told me to express my
concerns.

And I know people that work at the Park
are there to protect the watershed. I that we can all
work together, the Canadian thing and Park can work
together. It would be really nice if they could come in
hand-in-hand.

Thank you for listening to me that's all
I'm going to say for today.

(INTERPRETATION CONCLUDED)

THE CHAIRPERSON: For the record, I just
want to ask the Chief the name of the Elder who spoke.
Chief...?
CHIEF FRED TESOU: That's Elsie
Marcellais.
THE CHAIRPERSON: Mahsi, Elsie
Marcellais. Mahsi for that statement. And so that was a
statement for the record and that's not intended for
Parks Canada so we -- I want to say thank you to Mike
Suitor for coming up and doing the presentation. And I'm
going to -- sorry?

Okay. For that I just want to excuse

Parks Canada.

(INTERPRETED FROM SOUTH SLAVEY INTO ENGLISH)

ELDER LEON KONISENTA: I'd like to

express my concern also. I been working there for seven

(7) years with Prairie Creek Mine. Even if there is

something wrong I will share all of my -- express my

concerns with them. I have worked with them since 2004

and I'm still helping up to this day. And if they want

to ask me any questions or anything I can help them how

they work, I can show them all this.

That is -- that's on my land and I love to

know what's going on my land. So in 1980/'81 and that's

the time when I worked down in Alberta and B -- in

Alberta and BC. And from since then on, since 1994, I

was a chief here. And then they say if you can do other

things to help us so I start, so they're remove me from

my position and I start working for Fort Liard for two

(2) years and then prior to that I worked in BC and

Alberta for over 13 years.

I had about -- about fifty (50) years of

work that I had completed in my lifetime and so I know
exactly what's going to happen and how the work. And I know when they're talking about water that is a very important matter, and it's on my land and I want to know what's happening in my area. I'm an Elder now and I can still understand, I'm still able to work, and I know how the water runs.

And if somebody wants to quest -- ask me questions, I can share my thoughts with them. And I have a lot of photos taken from the mine. If they want to know all this information I can show them this also. There's a lot of information that was processed onto the computer as well. I can share that information too.

It would be nice once we start this process, it'll make things a lot better for us, and this way we'll know what's happening. Like I say I'm an Elder and I know how things work and I have worked with the Park since 1975. I have worked for them till '93. And at that time is when they moved the office. So I guess it's a reason why I stepped down and then after two (2) days later I went to Fort Liard and prior to 1980, that's when I work in Alberta and BC. I worked for about fifteen (15) years with the Company.

And then prior to May 2004 I went to -- some forestry guy from Fort Nelson called and asked me if I wanted to work here. And he said I knew my area well,
that's the reason why I start working with them. And then from then on I've been working with them. So, like I say, if they want any information I have photographs, I can share this information.

And sometimes when I wander around the comput -- I wander around the Community so I want to be aware of things that's happening in my comm -- Community. So since 1994 I know what's been going on, so I know all the information. And they said to protect the water, the road. And I want to know all these things because it's on my land.

I am sixty-five (65) years old today. The el -- old age pension has given us not very much, so I'd like to continue working. Thank you.

(INTERRUPTION CONCLUDED)

THE CHAIRPERSON: Okay, well, his name again?

CHIEF FRED TESOU: Leon Konisenta, an Elder.

THE CHAIRPERSON: Thank you, Leon Konisenta. First I want to say happy birthday to you. You said you're sixty-five (65) today. And I believe before we continue on to the next, one (1) more speaker
here, I think maybe Parks Canada, maybe what we could do
is -- I think the rest are just more or less statements,
so I want to say thank you to Mike Suitor.

While we're doing that we'll set up the
Nahanni Butte Dene Band, and we'll take one (1) more
speaker from the back. Then I'll get into the Nahanni
Butte Dene Band presentation. And then, after the
presentation, I continue to encourage the young people
and Elders and everybody from Nahanni Butte to make
comments or statements. Thank you.

The Elder in the back that's going to
speak, if you could mention your name first.

ELDER ROBERT TALY: My name is Robert
Taly, I'm from Nahanni Butte. I've really listened to
all these comments, and they're pretty -- pretty serious,
but good. We're all getting along good together.

I worked about four (4) years ago, or
three (3). I worked for over a year for Canadian Parks
and Wilderness Society, and my boss was Carly Zigler
(phonetic) at the time. My boss was Carly Zigler at the
time, and I worked for Canadian Parks and Wilderness out
of Yellowknife.

And we did a bull trout study as well as
ongoing issues with -- with Canadian Parks and Wilderness
to get the park expanded, and I had an issue that I
brought up with -- about Canadian Zinc. Since I was on the bull trout study for approximately three (3) years, we've had a really good bull trout -- I don't know how to say it.

We -- there was -- the bull trout were healthy in the Funeral Creek range as well as parts of the Prairie Creek range. And the Funeral Creek range there's a road -- Canadian Zinc road goes right -- right by it, and we've had nothing but good bull trout populations.

And we've seen some runoff from the mountains and that and culverts. And even our aquatic life underneath we had to study, which were the ground feeders. They're fish called ground feeders, and they were in good shape.

I read the report that came back from Neil (phonetic), who -- I don't remember his last name, but he was with the Department of Fisheries and Oceans in Winnipeg. And it seemed like it was a good -- good sign because the bull trout are -- as Parks and Canadian Zinc know, they're pretty rare around this area. In fact, I think they were a new -- kind of new species.

Even up at -- around the what's called Cat Camp just below that we were kind of sceptical about bull trout, but we found some pretty good populations there as
well. And I think Canadian Parks and -- or Can -- Parks
-- Nahanni National Park, Canadian Zinc, as well as you
people from Yellowknife or In -- Indian Affairs, if we
work together we can overcome a lot of things, you know.

And after a three (3) year study, you
know, the bull trout are in good shape. There is no bull
tROUT above Virginia Falls. It's strictly lake trout and
other species. But below the falls there is, as well as
in the Flat River area. I'm more concerned about the
Flat River area than I am about Canadian Zinc because we
went up there to Irvine Creek and we found some -- some
pretty bad signs up there.

What I mean by bad signs is, we went right
to the tungsten mine site just below it and we seen a lot
of overturned barrels and stuff like that. So I think
the Department of Fisheries and Oceans addressed that
issue with tungsten mine but we didn't see any of that at
Canadian Zinc. In fact, we stored our fish there to --
to send out to Winnipeg to get processed.

So I think in the long run, you know, it's
going to cost a heck of a lot of money to get that out.
If it is stopped, it's going to cost, cost, cost just to
put it back to what it was before the mine came in. And
I know there are detergents now that you can use in order
to process your -- your ore and stuff like that and there
is that on the market.

And what I'd like to say now is that we
should all get together and -- and just come down to the
-- to the bottom of all this. It can't take years and
years and years and years. It is very, very important
that environment, like Grandmother just said, is -- is
the most important thing to -- well, to anybody. And --
but if we work together we can overcome our loss. We can
overcome obstacles that we thought we could never do.

So in that case -- and for the Nahanni
Butte younger generation, I say this because a lot of our
kids now are going to Grande Prairie, an outsider
community, and they're getting jobs down there because
there's -- there's -- they're overqualified to work in
Nahanni Butte. I mean, a person with -- who graduated
from Grande Prairie Regional College doesn't want to come
here and cut grass. So, you know -- and I think Canadian
Zinc and Parks Canada can look into the -- the kids
around Nahanni Butte.

So I agree, we have to -- in -- in my work
with Canadian Parks and Wilderness Society, I think we've
done well in our studies. There's -- there's a booklet
to prove what we've done and -- and the fish seem to be
all right.

So what I'm stressing right now is we work
together on this and come up with a solution rather than wait for another five (5), ten (10) years. Mahsi cho.

THE CHAIRPERSON: Mahsi, Robert Taly.

Mahsi.

Okay. There's another Elder in the back. Chief, you want to do your presentation first or you want to go with the Elders?

Elders? Okay. We'll go with the Elders in the back again and if you could just state your name.

ELDER GEORGE BETSAKA: Hello. My name is George Betsaka. I've known Prairie Creek for a few years. We started working on Prairie Creek in the '80s and what Prairie Creek Mine sits on right now is a gravel bar, but it's all crushed gravel and -- and it's been going on to thirty-one (31) years now.

And for a mine with a lot of profitable minerals, I mean, to -- to get minerals to -- into production in thirty (30) years and that's unbelievable. You know, you -- you can't hold out all the time. You know, sure, we all say we need protection. Yeah, but with new technology, the protection will be protected with new technology.

I've been there from the beginning of -- with Cadillac exploration and then there was San Andreas, now Canadian Zinc. And it seems like we've been holding
out for people that are employed or already are hauling — holding out on us because they have a job and we don't. And there's opportunity in our bark yard. Whereas I know a few people on the Board, Water Board, and one of them, he's the one who put forth of nation and Indian brotherhood. I shook his hand and his name is Mr. Wah-Shee. He -- he always said that Native people should make money out of their own land and be self government.

This is -- this is time that we work together and could make it happen. But it's been getting a little frustrated. Every -- every year there's always something come up or somebody with different ideas of stalling for us to make money.

If we're going to self government, we -- we're going to -- and then this is going to get into a politician. When I was negotiating for Dehcho process, the -- the government insists and will go on with this plan is that they're going to -- when land claims come in, they're going to give you a bulk of money. And it's going to go maybe by the millions but with that money, you as a community and nation have to make your money count and make money with that money in order for your medication, water delivery and whatever government is doing for you right now. You have to make a go of it.

And even now, look at these Water Board
people and Parks and other sources that are here to see 
our comments on the -- the future use of resources from -
- from the land, but right now it's -- it's up in the air
right now. We're -- we have to make some money from the
land in order to help the resources that they're going to
give us to start our self government. If -- if not, you
know, you're -- the people who have money work on our
land, our water. And while you -- the -- the people who
are stalling on issuing the important papers and permit
and giving us a green light, we're going to be poor and
you guys will be still getting two weeks paycheque. And
where are we?

I mean, you can say, well, we -- we could
go finish our school but when we're finishing our school
what -- what income do we have? And -- and think our --
in the area are happening in the outside world and it's
not happening here. So what I'm saying is that if we're
going to work together as a joint venture with Canadian
Zinc and Water Board and -- I mean, let's -- let's form
something that will come out good for the -- both
parties, all parties.

Thank you. Mahsi.

THE CHAIRPERSON: Thank you. Thank you,
George Betsaka. Mahsi for those comments. And the
Elders that spoke as well, mahsi for your comments.
There's nobody else. I'm going to go to the Nahanni Butte Band to do the presentation, but I think I see a hand in the back. Maybe if it's okay with the Chief, then have her state her name. And then, after that, we'll go to the Chief's presentation. Mahsi.

MS. MARIE MATOU: I'm really scared to speak. My name is Marie Matou. I'm a community health worker in Nahanni Butte. And what I wanted to bring up was I work for the government. My husband, he works for Nahanni Butte Dene Band, and he does a Water Plan Operation Act. This little guy right here, that's our son.

And my husband, he works for Nahanni Butte Dene Band. He's got no health benefits or nothing. I'm the one who has it, and he has nothing with the band. And they say, you know, this is our generation's future, and I believe in that. It is my future.

And I just wanted to say that I think about my future and this is my future. And I have too much to say, but I'm a little bit scared to talk. My husband used to work for Parks Canada about -- I don't know, about ten (10) years ago, whatever. About ten (10) -- no, ten (10) -- yeah, about ten (10) years ago he worked for Parks Canada. He never got no health benefits from there or nothing.
He got nothing from that. I just remember that he got paid back about two thousand dollars ($2,000). That was it. What did Parks Canada do for us? And Parks Canada -- and what -- whatever happened with the boundary and everything? We should have got brand new houses, every family from Nahanni Butte. We got nothing to show for Nahanni Butte for Nahanni National Park.

Every family should have had a brand new house. We got nothing from that. That's how I feel about Nahanni National Park. What did we get? What, are they going to take away our land claims or hunting rights or what? How am I going to -- I like fishing. I like going hunting and -- but how about my kids. Down the road what are they going to do?

We're trying to teach them to like go for a boat ride and go fishing, hunt and that. And how far are we going to get until someone's going to say, Oh, you can't hunt here, you can't fish here?

I -- my grandpa, his name is Joseph Konisenta, and my grandma, she lives in -- I'm sorry. She lives in long-term care. They fish. They live here. Like over thirty (30) years we did what we wanted to on this land. Why all of a sudden people come here and we have to like come up here and speak for what we want?
You know, that's not right. This is our land. We should do what with it -- I'm sorry, but it's true. Why do we have to come here as a community and come up and say -- oh, we have to fight for our own land. Thank you.

THE CHAIRPERSON: Thank you. Mahsi for your comments and very, very powerful words. And some statements have been made. That's good. Good to hear that. And we encourage that the Community come up and continue to say those words. And, you know, it takes a lot of courage for people to come and speak, and that's good to do that, and mahsi for that.

I want to go to Nahanni Butte to do your presentation. And then there'll be questions from the Board. And then there'll be also Community comments, further comments that anybody else might have missed. We could take them on as well. So I want to go to Chief from Nahanni Butte.

CHIEF FRED TESOU: Peter Redvers will be doing that Community presentation.

(BRIEF PAUSE)

PRESENTATION BY NAHA DEHE DENE BAND:

MR. PETER REDVERS: Thank you. Peter
Redvers. I've been working as a consultant to the Naha Dehe Dene Band for about three (3) years now, since the summer of 2008. And I'm going to be reading through a prepared presentation that was reviewed and approved only yesterday by the Chief and Council, and that's why it wasn't posted earlier, was there was a need to sit down and go over it with Chief and Council prior to making the presentation.

So I'm going to just read through that. I don't have copies for everyone. It was done, as I mentioned, not approved until yesterday. So I'll just ask you -- this will be an oral presentation. And in terms of questions, I may be able to respond to some. And then Chief Fred Tesou or other councillors may be able to respond to other ones.

The Naha Dehe Dene Band has been dealing with the Prairie Creek mine since it was first developed in the 1970s and early 1980s. It sounds like back into the 1960s as well. For three (3) decades the Naha Dehe Dene Band has been concerned about potential environmental impacts from mine development and operation while trying to gain benefits, economic benefits, from the mine's operations.

In 2008, as the mine was moving from the development to operational phase, the Naha Dehe Dene Band
recommended an environmental assessment of the mine that was recommended to what was then Indian and Northern Affairs Canada.

And the Community then established a three (3) path approach to dealing with mine issues. The first was the preparation of a traditional knowledge assessment of the mine and mine impacts. The second was engagement or participation in this environmental assessment process. And the third was negotiation of an impact benefit agreement, which actually began with a negotiation of a memorandum of understanding in the fall of 2008.

The intent at that time was to establish a reasonable balance between protecting the environment and also getting benefits from the mine, all rooted in the band's assertion that mine operations will primarily affect the Naha Dehe traditional land use area.

With respect to the traditional knowledge assessment, a confidential TK, or traditional knowledge, assessment, of the Prairie Creek mine was completed in April, 2009, and provided to Indian and Northern Affairs Canada. This assessment provided an overview of the history of the Naha Dehe Got'ine and their traditional land use area and cultural activities in the Naha Dehe or Nahanni River Valley and the surrounding area.
The assessment or the study described specific traditional values and interests in the area potentially impacted by the Prairie Creek mine and identified preliminary concerns from a cultural perspective about the operation of the mine and winter haul operation. And certainly quite a number of the Elders were involved in that process. It was about a six (6) to eight (8) month study.

More detailed work regarding the potential impact of the mine on traditional values was carried out in 2009, and what is called an addendum or an addition to the TK assessment was prepared and submitted to your board as a component of the environmental assessment process, and it is -- certainly there's a copy of it available with your board.

This addendum or addition identified the following main environmental concerns at that time: possible contamination of the water and fish in Prairie Creek for mine operations, possible contamination of wetlands and waterways around the mine site along -- and along the winter haul road corridor from spills, contribution to cumulative contamination of the Nahanni River through Prairie Creek, disturbance to wildlife, particularly Boreal caribou, moose and Dall sheep around the mine site and along the winter haul road.
corridor, damage to cultural resources in the traditional
mountain passes from winter haul road operations, and
overhunting and other disturbances to wildlife from
public access to over wintering habitat and animals along
the winter haul road corridor.

So those concerns then were brought
forward into the environmental assessment and Nahanni's
involvement in the environmental assessment. So the Naha
Dehe Dene Band has continued to carry these environmental
concerns along with a number of socio-economic concerns
forward throughout the environmental assessment process
through active participation.

Earlier this month the Band submitted a
technical report to the Board, which contained a set of
recommendations, two (2) of which were subsequently
modified, and those modifications or changes are on
record.

A few of these recommendations are already
being met through commitments from Canadian Zinc
Corporation. Other recommendations were submitted before
the Naha Dehe Dene Band had the opportunity to see the
final technical recommendations being made by other
Intervenors, and particularly responsible departments.

Having seen those recommendations that
have gone in from other parties, it is now clear that
most of the outstanding Naha Dehe Dene Band concerns can be met through implementation of many of the technical recommendations made by these departments to the Board.

This presentation will therefore list some of the specific Nahanni -- Naha Dehe recommendations and then identify and comment on whether those recommendations are being met through existing commitments or will be met through implementation of departmental recommendations.

The first recommendation that was made in early June was that the Board require Canadian Zinc Corporation to enhance its water treatment plant such that it could meet more strict water quality guidelines, what are called effluent quality criteria, or EQCs.

However, the second part of that recommendation was that if there is a reasonable and justifiable reason for not enhancing or improving the water treatment plan to meet the most protective water quality objectives, the Band recommends that the registry remain open on this environmental assessment until there is consensus between Canadian Zinc Corporation, responsible authorities, and the Band regarding the water quality management system -- system and the criteria utilized so that minimal changes to water quality and the aquatic environment can be assured.
And the recommendation noted that Nahanni -- the Naha Dehe Dene Band would accept a consensually agreed upon water quality management system. And that was consistent with, I think, what we've been hearing today, which is that it would be much easier for the Community if there was at this point in time some agreement between the different parties as to what kind of criteria needs to be in place.

It's very difficult when the Community is in a difficult situation where there are some differing views or opinions, particularly because it is highly technical. However, at this point the Naha Dehe Dene Band now understands that improving the efficiency of the water treatment plant is not feasible, so that the recommendation on water quality will need to be met through the implementation of the departmental recommendations.

But to be clear, on particularly the recommendation relating to water quality criteria, the Naha Dehe Dene Band has determined that it will accept water quality criteria that strike a reasonable balance between the criteria proposed by Canadian Zinc Corporation and the criteria proposed by responsible government departments where those criteria differ.

So in -- in -- I guess, in essence,
consistent with some of the comments you heard, the Band is asking the parties work together to come up with reasonable consensus on what would be acceptable, and is not prejudging or prescribing what those would be.

The second recommendation was with respect to post-closure impacts. The Band recommends that the public registry remain open until there is consensus, again, between Canadian Zinc, responsible authorities, and the Band, on the long term efficiency, stability, and/or the impact of the tailing disposal system such that there is assurance that no significant long term, what's called, bioaccumulation, or buildup, and bioconcentration, which would be buildup in fish and other aquatic life. That there be no significant buildup of contaminants in the downstream environment. And that there would also be consensus reached, and it wasn't discussed today, in relation to post -- post-closure monitoring and the time frame for that monitoring.

And the second part of that was that the Canadian Zinc be required to post a bond significant enough to carry out post-closure monitoring and any mitigation required regarding water quality impacts.

In this case, for this recommendation it is highly likely that the recommendation would be met by the implementation of current departmental
recommendations before the Board.

There still needs to be some clarity on the issue of bonding, but that will likely be addressed, or addressed through the Land and Water Board, which is not your role.

The third recommendation relating to spills along the haul road, and the Band had recommended that there be more stringent spill prevention and response plans developed, particularly for the first 54 kilometres of the road. The -- the -- Parks was identifying that as the particularly steep area. And that that be done before approval, or probably more reasonably, the -- the commencement of mine operations.

Also recommends that Canadian Zinc clarify, and finalize the road alignment plan for the silent hill areas. And I believe that was spoken to earlier. Recommends that the spill contingency plan address the potential for spill events, or spills that occur during adverse road or weather conditions. That it be clear in the spill contingency plan that Canadian Zinc will hold overall responsibility for spills response, whether the spills occurred from the action of Canadian Zinc or its subcontractors.

That Nahanni, or the Naha Dehe Dene Band, be consulted and play a meaningful role in spill
contingency planning and response. And finally, that Canadian Zinc table a mine economic feasibility report with regulators prior to final approval to assure there's enough profitability such that the issue of profit versus cost can be reasonably balanced without affecting mine sustainability.

Again, the -- the major elements of this recommendation will be met through implementation of the departmental technical recommendations relating to road construction and operation, as well as spills contingency planning. And I should add, along with the commitments that Canadian Zinc has already made with respect to spills response planning.

Any Nahanni concerns about safety versus cost will also be adequately addressed through implementation of the recommendations relating to road construction, operation, and spills response planning. And the bonding will be addressed, and will have to be addressed at the Board.

And we note that Canadian Zinc has recently engaged SNC-Lavalin to complete a feasibility study on the Prairie Creek mine, and that's expected to be completed by the end of 2011, and that would certainly satisfy that issue or that concern.

Recommendation 4 relating to -- re -- I'll
"The Naha Dehe Dene Band recommends that as a component of its previous recommendation regarding the water quality management system -- system, particular attention be paid to reducing the presence of mercury and other elements of the mine effluent known to biocumulate or bioconcentrate or build up such that these levels -- the levels of these elements do not exceed existing levels in Prairie Creek at all times."

First of all, there was a decision to modify the recommendation. And rather than reading, such that the levels of these elements do not exceed existing levels in Prairie Creek at all times, the recommendation has been modified to read: "...such that these levels do not exceed levels that can cause short or long-term harm to the aquatic environment."

And again, the appropriate levels can be determined through implementation of departmental recommendations, including the setting of balanced water
quality criteria noted in recommendation 1. And that's again taking into account the need to find some balance between Canadian Zinc's position on water quality criteria and the responsible department's position on that criteria.

Recommendation 5 was that the draft wildlife management plan to be expanded to become more proactive, to include science and TK based monitoring and not just incident and sighting documentation, and that this redrafting be carried out by Canadian Zinc in cooperation with the Naha Dehe Dene Band, Parks, government, and if they choose to or the -- the GNWT.

And the final plan should be reviewed and approved by the proposed technical advisory committee required to any required regulatory approvals. I believe Parks may have some authority over that issue.

Again, this recommendation will be met through implementation of departmental recommendations. The only addition I guess that needs to be clarified is that the band ask that the approach taken to wildlife management suggested by Parks Canada should be applied or implemented to animal populations to the east of the park boundary so that you have a consistent wildlife management plan for the entire haul road as well as the mine operation rather than having differing plans similar
to the -- to the road issue.

The sixth recommendation, there was a concern about cultural materials. And the band had recommended that the Government of the Northwest Territories, that's through the Prince of Wales Northern Heritage Centre, continue to oversee the archeological assessment work and that the required archeological impact assessment that was proposed by the GNWT be carried out as planned this summer with direct Naha Dehe involvement.

And the Band further recommends that any cut and fill activities associated with access road construction in or around the sites of main concern, and those were mainly the mountain passes, be monitored by an archeological technician and/or informed Nahanni Band members to ensure protection of potential heritage resources.

This matter will be partially addressed through the requirement of the GNWT for Canadian Zinc to complete a archeological impact assessment, and that's on the new road alignments, by the way, not the entire road. And the issue of site monitoring at mountain passes or in other sensitive areas during road construction could simply be addressed through a commitment by Canadian Zinc. And I believe I heard that
today, but we'll touch base with the -- there will be environmental monitors and that they could be employed or utilized for that purpose. I'm not going to put words in your mouth but we can discuss that, but certainly it seems to be an issue that can be resolved.

The seventh recommendation was that the Band recommend that -- and I'll make it easier for the -- for the interpreters. The Naha Dehe Dene Band had originally wanted to be able to restrict access to the winter haul road, and that was supported by Canadian Zinc. It was certainly in both party's interests to limit or restrict access. It took a while, but it was concluded, certainly through statements and responses by Indian and Northern Affairs, that restricting access would not be possible.

So the second option is that a Naha Dehe Dene Band staffed checkpoint be established near the entry point to the road during winter operations, and I'm not going to go through them but that there be a number of strict rules that would make it clear that use of that road is at the person's own -- own risk and that there might be limits set on parking and et cetera, a number of issues.

And again, with that, that particular recommendation will be addressed through a current
commitment by Canadian Zinc to establish a Naha Dehe
operated checkpoint as well as through discussions with
the proposed Prairie Creek technical advisory committee
to finalize road restrictions and warnings. So that
would be a useful role or one (1) of the roles for the
advisory committee, and I'll speak to that shortly, to be
able to assist in setting some of those limitations.

The eighth recommendation, set of
recommendations actually, came out of a human resource
and community economic development survey that the Band
conducted, where it went out and interviewed a fairly
wide cross-section of community members on their
interests in the mine, work, training, et cetera, as well
as their concerns at that time, and that was again a
report that was given and presented or submitted to the
Board and is on the registry.

It became clear when there was sort of
individual surveying carried out that there are mixed
opinions in this community. There's certainly a desire,
and I -- I think that's not a mixed opinion. I believe,
from the work I've done and -- that there is -- is a
absolute interest in ensuring that the environment is
protected to the best that can be done.

But out of the socio -- or the human
resource community economic development survey it was
clear that members wanted -- the recommendations that came out of that were that there be support by Canadian Zinc and/or government agencies to fund training priorities for Band members; to assist the Band and individual members in getting access to capital partners and expertise in order to take advantage of business opportunities; to help support and fund better counselling and healing programs to address any substance abuse issues that might arise; to support and fund money management programs, I believe that Canadian Zinc spoke to that this morning; to support culture and the language programs and to ensure that community members are allowed time off for the fall hunt if they choose or ask for that.

And it was also from that survey that there was support -- came out that there was support from the community for a three (3) week in, three (3) week out shift option even though that certainly contradicted what the GNWT was calling for.

So it was important to go ask the members what they were comfortable with, and there was comfort with the three (3) weeks in, three (3) weeks out, but that be assessed after perhaps a year of operation.

With respect to that set of recommendations that came out of the human resource
community economic survey, it was clear that in terms of how those were being addressed, clearly the environmental issues are being addressed through the Band's intervention and the environmental assessment process. Most of the socioeconomic concerns are being addressed through the impact benefit agreement signed this past January between Naha -- Naha Dehe Dene Band and Canadian Zinc Corporation. However, the band will still need ongoing support from government agencies to ensure that it has the capacity to fully implement and benefit from -- benefit from the IBA. There's capacity building issues that need to be addressed with support from a variety of agencies.

The Naha Dehe Dene Band is aware that the GNWT is calling for a socioeconomic agreement between Canadian Zinc and the GNWT, but as this would be a territorial agreement it would not override the IBA with the Naha Dehe Dene Band.

So it -- it -- really, I guess, Nahanni won't -- won't speak to or comment on that. It's satisfied with the socioeconomic conditions and clauses in the IBA.

And then the final recommendation was that the Naha Dehe Dene Band recommends that Canadian Zinc and/or INAC, or Aboriginal Affairs Northern Development
now, and/or Parks Canada provide the funding necessary for the Band's full participation in the proposed Prairie Creek technical advisory committee.

And there is support for this committee. It's being supported by Canadian Zinc, obviously, Parks Canada. Environment Canada also supports the role of this committee, and assisting in the design of monitoring programs. But funding for the Naha Dehe Dene Band participation has yet to be addressed, and so that's an issue that remains under discussion.

So those were essentially the concerns raised through the TK assessment, and the status of them. The third path the TK assessment, environment assessment, was the IBA negotiations or impact benefit negotiations.

There was a memorandum of understanding signed in the fall, and the date is wrong, it was the fall of 2008. And the MOU led to the negotiation of an impact benefit agreement that was signed off, as I mentioned, in January 2011.

This IBA acknowledges the Naha Dehe Dene Band rights and interest in the mine impact area, provides a range of direct and potential benefits to the Band, and those were identified earlier today, and does not restrict the Band from continuing to participate in
So in conclusion, at this point in time the Naha Dehe Dene Band can make the following comment: It's original goal, three (3) years ago now, summer of 2008, when it established these paths was to try and find a reasonable balance between protecting the environment and getting benefits from the mine, again all rooted in the assertion that the mine operations will primarily affect the Naha Dehe traditional land use area.

So with respect to the socioeconomic impacts and benefits, the Band is confident that it's socioeconomic interests will be adequately addressed through the full implementation of the IBA it currently has with Canadian Zinc, as long as implementation support is provided by the appropriate government agencies, and the Naha Dehe Dene Band will be seeking that in the near future.

With respect to the environmental protection, if the recommendations made by the Band and government departments are carried out, particularly with respect to water quality management, spill contingency planning, and wildlife management planning, the Naha Dehe Dene Band feels that its short and long-term environmental interests will be protected.

And I think what you've heard today, or
certainly what I've heard today in -- in my role from -- from the membership that spoke is that there is a need for these parties to really get together and hammer out some of these issues that are -- where there is some disagreement, and do it with due haste so that the -- the next steps, decisions, can -- can be made. Ka (phonetic) mahsi.

QUESTION PERIOD:

THE CHAIRPERSON: Thank you, Peter Redvers, Nahanni Butte Dene Band presentation. What I'm going to do is I'm going to go to the Board members to ask questions to your presentation.

I'm going to go to my far left. I'm going to go back to Darryl Bohnet, Board member. Does he have any questions for Peter Redvers on his presentation?

MR. DARRYL BOHNET: No, thank you very much.

THE CHAIRPERSON: Okay. Thank you. Board member James Wah-Shee...?

MR. JAMES WAH-SHEE: I have no questions, thank you.

THE CHAIRPERSON: Thank you. Board member Percy Hardisty...?

MR. PERCY HARDisty: Mahsi, Mr. Chair.
No questions.

THE CHAIRPERSON: Thank you.

Board member Rachel Chapeau...?

MS. RACHEL CHAPEAU: Thank you. No questions. I will be reading more on the recommendations. I'll -- written out, for example, recommendation 2 -- 1 to 2, I'll be paying attention to those. Thank you.

THE CHAIRPERSON: Thank you.

Richard Mercredi...?

MR. RICHARD MERCREDI: Thank you, Mr. Chairman. No questions this time.

THE CHAIRPERSON: Thank you.

Board member Danny Bayha...?

MR. DANNY BAYHA: Thank you, Mr. Chair. I just had one (1) question. In -- in your hopes that -- that you mentioned, or in your -- in your presentation you mentioned that you wanted: I would like to see some sort of consensus, team building, or team kind of exercise, to hammer out some of the different issues, and hopefully reach some sort of an agreement between all the parties before.

Wasn't sure what your thoughts were there on whether it's before permitting, or before mine operation, and if you could maybe elaborate on that, what
-- what your expectation, or the Band's expectation is, of that agreement between the different parties and different organizations that would help see that environment is protected while still development happens? So could you maybe just give us a picture of that? Thank you.

THE CHAIRPERSON: Thank you, Mr. Bayha. I'm going to go to Peter Redvers, Nahanni Butte Dene Band.

MR. PETER REDVERS: Well, I -- I think the first step would be perhaps to put a process in place to do that. That would maybe -- maybe be the first step, is that there could be an agreement on a process with some time lines to -- to speak to and resolve some of these issues. That would certainly help. Some of the -- as you heard from the presentation, there are differing views on some key issues, and it's very technical, it's very complicated, and you've got essentially experts disagreeing. So it's -- it's very difficult to try and really read into that what is accurate and what is not. But I -- I -- probably the simplest, if time, and I think time is an issue, would be to, as a first step -- I'm not sure who would do that or who would play the lead on it,
it's -- I don't think it's the Naha Dehe Dene Band's role
to do that -- would be to -- for the parties to simply
establish and agree on a process with some timelines to
resolve some of the outstanding issues.

That's all I could suggest at this point.

Perhaps that might be discussed in more detail at the
technical hearings tomorrow and Friday, once the --
there's a little more understanding of the depth of the -
- some of the issues that -- in -- that need to be
resolved.

MR. DANNY BAYHA: Thank you, Mr. Redvers.

I guess the final question, suppose that at the end of
the day that all the recommendations the Band had was not
be able to be achieved by the time the mine is permitted
and -- and went ahead.

Would the -- the Band still -- would they
-- they would see themselves being involved in this
process, so they can get moving it along so that some of
the recommendations can be realized, or -- or is that --
what -- would that change the position of the -- the
Band? Thank you.

THE CHAIRPERSON: Thank you, Mr. Bayha.

Peter Redvers...?

MR. PETER REDVERS: It's certainly in the
--the Band's interest to get these issues resolved, and
so as noted that, if there was a role to play for -- for
the Naha Dene Band to be part of that process and move
that along, if that would help, and it is agreed upon, I
-- that would be up to Chief and counsel to determine at
that moment.

But certainly it's -- from what I hear
through discussions and also through some of the
presentation, there is a desire to -- to resolve some of
these issues sooner rather than later, and if the Band
can play a role in doing that then certainly there would
be some interest in doing that.

I'm not sure who that would be, but the --
there is a role, or may be a role to play.

THE CHAIRPERSON: Thank you, Mr. Redvers.
Danny Bayha...?

MR. DANNY BAYHA: Thank you. That'll be
all.

THE CHAIRPERSON: Thank you, Mr. Bayha.

Mr. Peter Bannon...?

MR. PETER BANNON: Thank you, Mr. Chair.

I -- I don't have any questions now but I'm trying to
formulate one for tomorrow. You will be making a
presentation tomorrow? Thank you.

THE CHAIRPERSON: Thank you. Thank you,
Mr. Redvers for your presentation on the Nahanni Butte
Dene Band.

What we'll do is we'll take a fifteen (15) minute break, but prior to taking a break what I'll do is that after we come back is that I'm going to continue to take questions from the Community. Either from the Community the questions can be posed towards the developer or any parties that made presentation here today. So maybe while we're talking a break if maybe, Chief, anybody from your Community that want to come up and express their issues, concerns, or statements, that would be good.

So we'll take a fifteen (15) minute break.

Thank you.

--- Upon recessing at 2:25 p.m.
--- Upon resuming at 2:53 p.m.

THE CHAIRPERSON: Okay. If I could get everybody's attention we could start. Actually this is the first time I've been to a meeting like this where the cell phones don't go off. It's really good.

So if I could get everybody to come and sit down and we could start. Just before we broke we had the Nahanni Butte Dene Band do their presentation and then we took our fifteen (15) minute break.
The next part I got on the agenda here is questions from the community. The questions could be directed to the developer or parties. The -- the Mackenzie Valley Review Board here will sit here and listen. We already listened to some of the Elders spoken already earlier.

So I'm -- I'm going to put this out to the Chief from the Nahanni Butte Dene Band that if you have any further members from your community that want to make comments, questions, statements to the developer or any parties that made presentation in case we forgot them, or we -- we missed them, they're welcome to come up and make a comment, or there's a roaming mic, I believe, as well. The staff have a roaming mic.

So, Chief, if you have anybody from your community that want to make some further comments or statements.

Thank you. Have we got a roaming mic here somewhere? The gentleman in the back that has his hand up and if you could maybe state your name and then your question, or a statement.

(BRIEF PAUSE)

THE CHAIRPERSON: Okay. I'll go to our
Elder here.

ELDER ROBERT VITAL: Yeah, my name is Robert Vital and I was just thinking things over again during the break. Again, I stress that our -- our youth really have to play a big part in -- in -- in everything. And again I want to stress we have to get -- get along. This has been ongoing like George -- my friend George said, and it's just got to the point where, you know, we don't -- we don't know really what's going on, even the Band, you know. It's just ongoing, ongoing.

I've been to quite a few places in my life and back when I lived in Alberta I -- I went to a lot of major, big, big Bands down there. My -- my partner was a member of the big -- a big reserve.

And we had, you know, we had things -- we had -- we had -- especially in the oil and gas field, we had agreements done in two (2) or three (3) years, you know, rather than ten (10) or twenty (20) years.

And the Bands down there -- for instance, you can look right now at the Lubicon Band in Alberta, and look -- and they're smaller than us. And you can imagine what they're doing right now. They're -- they're negotiating. They're -- they're getting along with the companies that are working with them.

And I want to stress again, our younger
people are leaving our community, like I said before.

These people are -- these young people are -- are computer wise, you know, and they -- like I said, they have to go to Grand Prairie for their school.

And then when they graduate, they have no -- they have no choice but to go to people down south or wherever, wherever they're -- they can get work, which they're qualified for. And like I said before, they cannot come back to Nahanni Butte and cut grass, you know, because -- and well, it's kind of comical for me.

Anyways, I'd like to say that I -- I have been -- again, I have been on a bull trout study with Canadian Parks and Wilderness, as well as Department of Fisheries and Oceans, and we have -- we have -- found no fault in Prairie Creek, or Funeral Creek, and again the road -- the road goes long up Funeral Creek.

And even under the coverage we found fish, you know, and so -- and then again once they -- they did a cleanup, I was on that cleanup at cat camp. We burned all the fuel. We burned the whole works, as well as Grainger River. It was burned. I wasn't there, but my brother was there, and -- and it was burned. So that shows me, you know, Canadian Zinc is really interested in working with the environment.

So I just want to stress again that we
have to get along and get things done. Thank you very much.

THE CHAIRPERSON: Thank you. Thank you for your statement. I'm going to go to the gentleman in the back here. Again, state your name.

MR. CLAYTON KONISENTA: Yeah, hello. My name's Clayton Konisenta from Nahanni Butte. This question is for INAC.

I have a paper here. It says, "INAC Technical Report." I know that none of you have it, but it's on page 19. It says in there:

"An Aboriginal subsistence fishery exists at the mouth of Prairie Creek."

I'd like to know where they got that from and -- and what do they mean by that, because that's new to me, and I'm from the community.

And as a young person, I go up the river, and the only fishing we do that -- that I know of is at a place called White Sprays, and this is new to me. I'd just like to know what they're talking about right there, at the mouth of Prairie Creek. Thank you.

THE CHAIRPERSON: Thank you, Clayton.

I'm going to go to INAC, Teresa Joudrie, if she can come up and respond to that question?

MS. TERESA JOUDRIE: Hi, Teresa Joudrie
for INAC. Thank you for the question. We received that information through the confidential TK study that was provided to us by the -- by the Band. So that's the basis for which we made that statement.

THE CHAIRPERSON: Thank you, Teresa. I'm going to go back to Clayton. Do you have further questions, and comments?

MR. CLAYTON KONISENTA: No.

THE CHAIRPERSON: Okay. Mahsi, Clayton, thank you very much. Anybody else from Nahanni Butte Dene Band that want to make comments, statements?

Gentleman in the back, please state your name.

MR. BURTON CAMPBELL: Good afternoon. It's Burton Campbell, Nahanni Butte. Yeah, the -- I have a few questions to Canadian Zinc.

Your tailings, like -- like, it's waste. Can you take that tailings down south with you?

THE CHAIRPERSON: Thank you, Clayton -- oh, sorry, Burton Campbell. Mahsi. I want to go to Nahanni Butte -- sorry, Canadian Zinc.

MR. ALAN TAYLOR: Yeah, this is Alan Taylor, Canadian Zinc. Unfortunately, the volume of waste tails that is produced by the proposed operation is too large to contemplate hauling down to somewhere else. And when you place them underground they -- they become
relatively benign underground as -- as waste material.
And that's our proposal. It's just too expensive
otherwise to contemplate shipping.
Yeah. And in -- in addition it's not just
a economic thing. We're -- we're looking at it from the
environmental closure point of view in that the waste
tails would be put into the voids and they would be
sealing up basically the -- a lot of the groundwater
movement. Thanks.
THE CHAIRPERSON: Thank you, Alan Taylor,
Canadian Zinc.
Burton Campbell, Nahanni Butte Dene Band,
further questions?
MR. BURTON CAMPBELL: Yes. So what are
you saying, twenty (20) years we'll be -- or maybe fifty
(50) years we'll be stuck with this then?
THE CHAIRPERSON: Okay. I don't know if,
Alan, you had -- understand that question?
Maybe, Burton, can you re-phrase your
question.
MR. BURTON CAMPBELL: Maybe I'll put it
little more terms. Are you going to put the tailings in
the rock or underground? Are you going to seal it and
it's going to be there? Is it going to be hard to come
out or -- or are we going to be stuck with two cells on
THE CHAIRPERSON: Okay. Thank you, Burton. I'm going to go to Alan Taylor, Canadian Zinc.

MR. ALAN TAYLOR: Thank you, Mr. Chairman. The -- the paste tails will be placed underground in the voids that we mine out. And it doesn't matter the longevity of the mine, if it's a ten (10) year or twenty (20) year operation, those -- those voids will continually be opened up and will be continually to be replaced as the mine progresses. And they will be sealed up upon -- upon closure, and that's what I referred to the sealing up of the hydrology system underground.

THE CHAIRPERSON: Thank you, Alan Taylor, Canadian Zinc.

Burton Campbell, any further questions?

MR. BURTON CAMPBELL: Yes, you know, like the -- everybody goes with the prices -- with the stocks on lead and zinc. What if it crashes tomorrow, what are you -- what is your plans to -- for cleanup?

THE CHAIRPERSON: Okay. Thank you. I'm going to go to Alan Taylor, Canadian Zinc.

MR. ALAN TAYLOR: In the life of any mine, any mine is dependent upon the commo -- commodity prices and those commodity prices are subject to global
economics. And in the life of any mine there is a possibility that there might be a temporary shutdown but that would only be a temporary, and upon full closure everything would be backfilled and closed.

THE CHAIRPERSON: Thank you, Alan Taylor, Canadian Zinc.

I want to go back to Burton. Any further comments or questions?

MR. BURTON CAMPBELL: Yes. I guess that's between the Nahanni Band and the -- the IBA. Is that the IBA just only on the mine itself? What if you find other materials around the site, like your little donut shape?

THE CHAIRPERSON: Okay, I want to go to Alan Taylor because this is a -- I just want to say that the IBAs are in agreements between the community and the proponent or the developer here in this case, and I think those are private deals. So I guess maybe I'll put it back to Alan Taylor, that would be your -- in your court, I guess.

MR. ALAN TAYLOR: Thank you, Mr. Chairman. You know, while the I -- IBAs are confident in -- in part, this one that we have signed with Nahanni Butte directly relates to the facility of Prairie Creek, not any other mines if that's the point of the question.
I'm not sure exactly if that was it.

THE CHAIRPERSON: Thank you, Alan Taylor.
Burton Campbell...?

MR. BURTON CAMPBELL: Okay. That answered my question. Okay, the other question is: I was hearing this morning that a thousand (1,000) or thirteen hundred (1,300) tonnes that you're going to do in a day and that's going to go south. Now are you saying if the pro -- the profits, are they going to go, you know, towards the mine or towards the community?

THE CHAIRPERSON: Okay. Maybe -- I don't know if the -- Alan Taylor, we'll probably need clarification on it. Can you rephrase your question again, Clayton -- I'm sorry, Burton?

MR. BURTON CAMPBELL: Yeah, well, they're saying a thousand to thirteen hundred (1,300) a tonne you're going to haul, now that profit you're saying, is that going to go towards the Community or the mine or...?

THE CHAIRPERSON: Okay. Thank you. I guess maybe I'll turn it over to Alan Taylor. It sounds like a question that you guys probably worked out with the Community. Thank you.

MR. ALAN TAYLOR: The product that we generate in the form of concentrates, that will be the only material that is sold to the market, and that will
determine the economics of the mine. And as the
operation proceeds, the Community will benefit from the
operation. As the revenues come in, the Community will
benefit through this IBA, which right now I -- I can't go
into a lot of detail but they will benefit.

THE CHAIRPERSON: Okay. Thank you, Alan
Taylor and Canadian Zinc. Burton Campbell, you got
anymore questions?

MR. BURTON CAMPBELL: Yes, one more.

Monitoring of the water, is that going to continue after
close? Are you going to -- are you going to continue,
like -- you know, like, in next fifty (50) years, sixty
(60) years are you going to continue that water
monitoring?

THE CHAIRPERSON: Okay. Thank you.

Alan Taylor, Canadian Zinc...?

MR. DAVID HARPLEY: It's David Harpley.

Burton, we will be monitoring the water until such time
as we can confirm that our assumptions for the closure
are correct. The whole purpose of the backfill is to
seal the underground so that we don't have a long-term
collection and treatment issue with the mine water as we
currently do today. That's why we specifically do want
to backfill the tailings.

Our work to this point indicates that
there won't be significant loss of metals from the backfill after closure but that will be subject to monitoring to confirm that before we basically leave the site and consider it stable in the long term.

THE CHAIRPERSON: Thank you. Any further questions, Burton Campbell?

MR. BURTON CAMPBELL: Yes, I got one (1) more. I just want to state to them: Can you promise that the water will be safe next forty (40) years, sixty (60) years? Thank you.

THE CHAIRPERSON: Okay. Thank you, Burton Campbell, for your final question. I'm going to go to Canadian Zinc.

MR. DAVID HARPLEY: Dave Harpley.

"Promise" has a number of connotations but I -- I'm going to put it this way: I -- I very much doubt that government would allow us to retrieve our bond for the project until we have demonstrated that it's satisfactory -- satisfactorily closed and stable. So that is the way of the government ensuring that the Company keeps its promise for suitable closure.

THE CHAIRPERSON: Thank you, David Harpley, Canadian Zinc. Any further comments from the Nahanni Butte Dene Band, comments, questions?
(BRIEF PAUSE)

THE CHAIRPERSON: Okay. I don't know if I see any hands up but I think everybody had an opportunity probably to make comments from Nahanni Butte Dene Band in regards to this public hearing here today. Chief, you have any questions?

CHIEF FRED TESOU: This -- this mine has been -- I think this was -- this mine has been going on for I don't know how many years, ten (10) years, fifteen (15) years. I think we got to start working together here to push this mine going 'cause it's lot of opportunities for jobs, education. There's lot of opportunity for the North here.

So we need to be working together as -- you know, as one, like all of us here inside this gym here. So it'd be good if we push this mine into production 'cause there's lot -- like I said, there's lot of opportunities for jobs, education. There's -- there's opportunity for the North. Thank you.

THE CHAIRPERSON: Okay. Thank you very much, Chief. That's all from Nahanni Butte Dene Band. Mahsi. And I want to say thank you to your members and your leadership for making comments.

I'm going to go on to continue on with the
agenda of the day. Since there's nobody else in the
community making comments and questions of the developer
or parties, I'm going to ask that Canadian Zinc be given
the opportunity to make closing statements. We could do
that now.

(BRIEF PAUSE)

THE CHAIRPERSON: I had one (1) request
here before you do your closing comments, Mr. Taylor. I
think we have one (1) more person from Nahanni Butte that
want to make a comment or a statement. Just introduce
yourself.

MS. ANNA TETSEL: Hi, my name is Anna,
Anna Tetsel (phonetic). And I'd just like to say that --
okay. I'd just like to say that we're -- it sounds like
we're getting kind of off the topic. The ma -- our main
concern is the water. And I stand behind my mom, Elsie
Marcellais, that our water should be protected. Thank
you.

THE CHAIRPERSON: Thank you. Thank you
for you statement. And I just want to let you know that
the Review Board is here to listen to everybody's issues
and concerns from this community, including your mom, and
I want to thank her for that. And once we're done here,
we're going to go to Fort Simpson tomorrow. And Friday we're going to be doing the same thing over there, as well.

Then after we're done, then the Board will meet probably in a month or two (2), it depends how long it takes to get everything done. Then we'll make a decision. So everything that's been said here today will be noted in part of our decision, as well, including your mom's statement, so mahsi for that.

So with that, I'm going to go to Alan Taylor, for Canadian Zinc, to do your closing remarks.

CLOSING COMMENTS BY CANADIAN ZINC CORPORATION:

MR. ALAN TAYLOR: Thank you, Mr. Chairman. Canadian Zinc owns the Prairie Creek mine site. This is a unique situation, as I said earlier in our presentation, but I cannot emphasise it more in that this proposed operation, most of the facilities are there already. The mine site is established.

It was fully permitted in 1980/'82, but those permits have since lapsed. There was due diligence done at the time through water licensing and such, and that we have collected a lot of database historically from that perspective.

The waters at Prairie Creek did not start
when the mine started. They flowed for many, many years prior to the -- to the mine every being discovered, which was 1928. The -- the waters from the vicinity of Harrison Creek, which is directly opposed to the underground ore body, have been receiving metals and anomalous elements for many years.

While this hasn't been documented to any great extent prior to any infrastructure being developed onsite, this is something that we need to account for. The water quality up -- upstream of Prairie Creek is different to that of downstream from a natural perspective.

I have heard much from the community today and much over the last many years from the community, and I hear a recurring theme of -- of, Let's move this along. But certainly water quality is a key management issue here, and we aim to be the best at managing that quality. And certainly with the assistance of all the government agencies and the bands, that is our goal.

There is much to work out still, but this is an environmental assessment, and the Review Board must decide whether or not the project is likely to cause significant adverse impacts or significant public concern. And based on this, the Review Board will decide whether the development should be approved, and if so,
with what mitigation measures. Let's all keep that in mind.

I've heard a number of -- of requests for details such as further finalization, or towards finalization of -- of spill contingency plans, human resource plans, road plans, and even the feasibility. But all the -- besides the feasibility part, all these details are part of the regulatory process and they will be sorted out at that time.

We have been through a number of EAs with our prior exploration and we think we have a good record on that. But certainly compliance to the levels of -- of water quality is a key issue here.

Our work with the -- the community is key. I -- when I started with Canadian Zinc I -- I maintain that I was a cornerstone of the -- of the Corporation to move ahead Prairie Creek was to keep the communities involved, and Nahanni being the closest one (1), that is our goal.

In addition to that, life has got a little bit more complicated for us over the course of the last ten (10) years with the expansion of Nahanni National Park Reserve. However, in retrospect, we -- we did see that expansion coming, that there was a study that was put in for us for four (4) years and we worked closely
with Parks Canada, and we actually signed a memorandum of understanding to work collaboratively together to suit our -- our different needs. And certainly they are somewhat different and it's an education for both of us.

And we endeavour to further that in the near future as an ongoing process and an example of that is our technical advisory committee, which we formed at the initiation when the Prime Minister announced the expansion of the Park. And we certainly invite Nahanni Butte and always have a seat at the table for them for this.

Some comments were made from one (1) of our Elders that they were concerned about the water, actually, from more than one (1) Elder. And certainly, I can't reiterate more, and I can't emphasize that more, we are too. The tailings pond, the facility there, it will be -- it will -- it has been looked at from a structural perspective and we don't contemplate using it as a tailings pond. And it has -- it has endured for over thirty (30) years with very little maintenance and it is -- it is a very sound structure.

So Canadian Zinc scientific and technical studies place particular emphasis on assessing water quality at the mine including mine and process water
discharge and potential downstream effects on water and aquatic ecosystems.

The Prairie Creek Mine will utilize the water which flows naturally into and collects in the mine as a source of process water for the mill. This water has been coming out from the mine for over thirty (30) years.

The existing large pond originally designed for tailing storage will now be converted into a water storage pond. Used process water and excess mine water will be treated and discharged into the Prairie Creek River using a specially designed double piped exfiltration trench in the base of Prairie Creek.

However, the treatment and discharge schedule will be varied seasonally depending on the flow of the water in the river. The Prairie Creek and the Mackenzie Mountains are very dynamic systems and they have very variable rates of flow of water and -- and receiving of waters and we have to take that into account in order not to affect the ecosystem. Discharge will be low during periods of low river flow in order to minimize the potential for effects on the river and its downstream environment.

Canadian Zinc developed site specific
water quality objectives of the highest standards to ensure protection of all aquatic life. Canadian Zinc also formulated management plans and operating procedures that will ensure that mine operations achieve these desired water quality objectives.

And in comment to Mr. Redvers' presentation, Canadian Zinc does not foresee any problems in resolving any of these Nahanni Butte Dene Band factors that he brought up today. I'm sure that we can come to a consensus on that.

However, there -- there appears to be a differing of opinion on site specific water quality objectives, but we still -- we feel that there is a satisfactory resolution to be had here.

And with that in mind, in the spirit of cooperation, Canadian Zinc is interested in furthering a discussion with the government agencies on a collaborative approach to resolving the water quality management issues.

However, we are interested in progressing in a timely fashion here. We -- we are already in a -- in an extended EA here entering to -- into our fourth year, and we -- we would not want to halt the time lines associated with this already extended EA process.

So with that in mind, I'd like to
certainly thank chief and council and the community for hosting this event, and the Board for organizing it. And let's move forward on this constructively, and we'll see a successful mine in the near future. Thank you very much.

CHAIRPERSON'S CLOSING COMMENTS:

THE CHAIRPERSON: Thank you. Thank you, Alan Taylor. Moving on with the agenda, we're wrapping up now, going to the closing remarks of the Chairman. I just want to take this opportunity, first of all, and to say thank you to Chief Tesou and your leadership and Elders in your community for hosting this hearing in your community.

I also want to thank the -- all the cooks that were able to make a meal for us here today. I want to say mahsi to them.

And we also appreciate all the participants from your community in regards to your heartfelt comments, especially to the Elder that was here spoken, and -- and all the elders here, and speakers. Mahsi for your time, and your comments here.

The next step from here is -- like I
mentioned earlier, is that we get two (2) days of technical hearings in Fort Simpson. And this is where we have an opportunity to also, you know, raise further questions or cross-examine, so we'll probably be doing that.

But tomorrow I'm thinking, you know, we already have the presentation made by Canadian Zinc, and I'm going to ask maybe if we could look at that, but if you could do a summary tomorrow, and so that -- because we already heard it today, and I think the proponents and the presenters here also heard it, and so I want to ask that maybe you guys could take a look at that for me.

And also there's -- I just want to acknowledge again Kevin Menicoche here, mahsi, the Nahendeh MLA for this region.

And I want to thank the Review Board staff, Martin Haefele of our -- our senior manager here, and John Donahee, our legal counsel. John -- Chuck Hubert, who helped organize the coordination of this event in this community. Jessica Simpson and Paul Mercredi. There's my staff in the back here.

Also I just want to acknowledge that we also have a sister Board, which is the Mackenzie Valley Land and Water Board, that issue permits and licence, and so I want to just acknowledge Kathy Richter (phonetic).
She's in the back here, as well. So if you could just
wave.

Our newest Board member that's been
appointed about two months ago is Keyna Norweigan.
Again, she's in the back. We also have Jennifer Potten.
She's on the staff of the Mackenzie Valley Land and Water
Board so she's here somewhere.

Again, I want to thank the translators,
Celine Batsaka, mahsi. Mahsi for helping. The other
translator we have is Mary Jane Cazon. Again, mahsi for
your help.

And the sound is provided by Trevor
Bourque. He's -- he's over there. He's the one that
made everything possible here, and the sound. Again,
transcripts are Wendy Warnock. Mahsi for taking
everything that's been here today, and the transcripts
will be posted in the next few days after we conclude our
meetings, and it'll be put on the public registry.

And again, the food. Bernice Konisenta,
she's here somewhere, mahsi for that, and also to
Canadian Zinc, David Har -- Harpley, Alan Taylor, INAC.

We have now AANDC, Tracy (sic) Joudrie.
Mahsi for your presentation. Parks Canada, Mike Suitor.
And I hope I didn't forget anybody else here, and if I
did, I apologize. But I want to thank all my Board
members that are here. Mahsi for taking the time. And
again, I want to thank the Chief for hosting this, to
come to your community, mahsi.

With that, I'm going to ask for a closing
prayer. Maybe the Chief or an Elder from your community
could come up to do a closing prayer. Okay.

(CLOSING PRAYER)

THE CHAIRPERSON: Thank you. This
official public hearing is officially adjourned for
today. Mahsi.

--- Upon adjourning at 3:27 p.m.

Certified Correct

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Wendy Warnock, Ms.