



January 10, 2017

Mr. David Harpley
VP, Environment and Permitting Affairs
Canadian Zinc Corporation
SUITE 1710, 650 WEST GEORGIA STREET
P.O. BOX 11644
VANCOUVER, BC V6B 4N9

Dear Mr. Harpley:

Canadian Zinc Corporation - Licence of Occupation and Leasing Land Application Requirements

Thank you for taking the time to meet with Lands representatives on November 16, 2016. In follow-up to our discussion, Lands Administration has outlined the requirements for land applications (lease, licenses, etc.) below. Please note that land applications are subject to a 45 day review by our Lands Advisory Committee members including technical experts, other government departments and Aboriginal organizations and governments.

When you are prepared to begin negotiations of the new lease agreements for the mine site leases for production, we will need to work cooperatively to ensure that we commence the lease processes in advance of construction. At this time, our office is asking that you apply **a minimum of 9 months to 1 year** prior to initiating your construction activities in order to allow time to prepare and negotiate new leases for production mining purposes. For those leases pertaining to construction and operation of the associated all-season road, barge landings and leases along the length of the road, you should apply 9 months prior to construction.

It is essential that complete applications be submitted:

- 1) Application form (mail in 1 set of forms with original signatures) plus 23 discs or memory sticks to facilitate review
- 2) Appropriate Fees (\$150.00+ GST for each land application submitted)

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- 3) Sketch drawn to scale (if parcel is un-surveyed) for each application. This sketch should include the total hectares of the parcel, points referenced with GPS coordinates and distances between points, insets of any unique features, proper labels and legends including the scale of the map. Any roads should indicate the length and width in metres and indicate the approximate hectares. Samples can be provided.
- 4) 1:50,000 scale NTS map showing the exact location of the parcel applied for with application with respect to the whole site/project plan.
- 5) The shape files with file extensions .shp, .shx, .dbf, .prj associated for each sketch map. This will be used by our Geomatics group to create a lease sketch if the application is approved.
- 6) A detailed site plan including locations of all buildings, structures, and access locations. Detailed site plans should include engineered drawings of the proposed infrastructure and clearly identify any storage, fuel, parking areas.
- 7) A written project description that outlines the construction plans, extent of the development, lifetime of the development, activities and potential impacts. Applicants should include any environmental impact analysis that may have been conducted.
- 8) Copies of waste management plans, spill contingency plans and reclamation plans/submissions to the Mackenzie Valley Land and Water Board (on the discs or memory sticks only).

Please note:

- The link to our surface land application form is at the following website: http://www.lands.gov.nt.ca/sites/default/files/content/territorial_lands_application.pdf
- Leases for water lot locations will require a separate application (any parcels below the Ordinary High Water Mark).
- Applications for a project that include multiple land parcels should be submitted at the same time.
- If your leases combined are over 640 acres, Commissioner's approval will be required.

- The intended uses of the land must be stated clearly in your application.
- The maximum term for a lease under our legislation is 30 years, however we would ensure the expiry of any approved lease will be consistent with the life of mine as much as possible.

Please be advised that any borrow pits should be covered by your Land Use Permit (LUP) and Quarry Permits. You may have to amend your LUP if borrow pits were not contemplated. For further information and to apply for Quarry Permits, contact Jarret Hardisty, Manager, Resource Management, Dehcho Region, at (867) 695-2626 extension 205, or at Jarret_Hardisty@gov.nt.ca.

Territorial Lands Administration has an application on file for a Licence of Occupation to access Prairie Creek Mine, NWT Lease No. 95 B/14-5. This application was originally for the winter road and does not include sufficient information on the current project. A Licence of Occupation application needs to include all roads (all-season and seasonal roads) used to support mining production, and to include the 8 application requirements listed above. Therefore, we are closing the existing application from 2007 and will wait for a new and complete Licence of Occupation application for the all-season road.

We are happy to preview your applications, sketches and provide advice as you prepare your applications for your project needs.

If you have any questions, please contact Debbie Mills at (867) 767-9185, extension 24116.

Sincerely,



Karen Polakoff
A/Director
Territorial Lands Administration
Lands Administration

- c. Jarret Hardisty, Manager, Resource Management, Dehcho Region, Department of Lands