



September 28, 2016

Chief Peter Marcellais
Nahanni Butte Dene Band
General Delivery
Nahanni Butte, NT
X0E 0N0

Re: Prairie Creek Mine All Season Road Fish Habitat Studies

Dear Chief,

We refer to your email to the Review Board dated September 13, 2016 relating to a supplementary fish habitat report submitted by Canadian Zinc (CZN). We understand that the Band is unhappy that CZN did not undertake engagement with the Band prior to the work, and did not involve the Band in the work. Before providing comment, we would like to explain the circumstances that led to the work.

During the Technical Session held in Yellowknife on June 13-16, it was agreed that CZN would compile fish habitat data in terms of potential habitat loss in order for DFO and Parks Canada to review and determine habitat offset requirements before Hearings associated with the all season road environmental assessment. CZN determined that it would be useful to collect additional field data, especially related to the proposed Sundog Creek realignment. Accordingly, CZN applied for research permits from Parks Canada, the granting of which were subject to consideration by the Nahanni National Park Reserve (NNPR) Consensus Team, a body that includes representation by Nahanni Butte. The work was completed on July 13-14, almost entirely within the NNPR.

We regret that, in our haste, we did not further inform the Band of our plans. We apologize for this oversight, and we understand and accept that the Band needs to be informed of all work and activity conducted on your traditional lands, and we undertake to do so in future. We also agree that all work on your traditional land related to the proposed all season road be co-managed by CZN and the Band.

We have previously discussed that there is a need to undertake further investigation work related to the all season road prior to construction. This will include detailed survey to define the precise road alignment and location of stream crossings, and investigation of soil conditions and borrow sources. During this process, we will also inspect for the possible presence of heritage resources. We have agreed that Band members will accompany survey crews and lead the search for heritage resources. We will now also agree that Band members will be involved in field studies related to stream crossings by the road on your traditional lands.

Yours truly,

CANADIAN ZINC CORPORATION



David P. Harpley, P. Geo.
VP Environment and Permitting Affairs