



VIA EMAIL & FAX

Liza McPherson
Executive Director
Łíídljį Kúę First Nation
PO Box 469
Fort Simpson, NT X0E 0N0

FEB 29 2016

Dear Ms. McPherson:

RE: Participation in the Canadian Zinc Corporation – Prairie Creek All-Season Road Environmental Assessment (EA1415-01)

Further to your February 12, 2016 letter to the Mackenzie Valley Environmental Impact Review Board (the "Review Board"), the Canadian Northern Economic Development Agency's Northern Projects Management Office ("NPMO") wishes to provide the following information that can assist the Łíídljį Kúę First Nation's ("LKFN") continued participation in the above noted environmental assessment ("EA"). The comments and concerns raised by the LKFN during these processes are important and we encourage you to continue to be engaged in this EA, associated regulatory processes and related engagement opportunities.

On June 5, 2014, the Northern Projects Management Office wrote the Dehcho First Nations, including LKFN, regarding the environmental assessment ("EA") of the Prairie Creek All-Weather Access Road. The purpose of this letter was to encourage the LKFN to participate in the EA process of the Review Board, the regulatory processes of both the Mackenzie Valley Land and Water Board ("MVLWB") and Parks Canada, as well as engagement efforts of the Canadian Zinc Corporation (the "Developer").

For those matters within its mandate, the Government of Canada will rely on the consultative processes of the Review Board, the MVLWB and Parks Canada, as well as the engagement conducted by the Developer, as the primary means for discharging any potential consultation obligations. For clarity, the Project passes through both the Nahanni National Park Reserve as well as Northwest Territories public lands. As such, the responsibilities of the federal Minister for this EA, under Part 5 of the *Mackenzie Valley Resource Management Act*, will remain with the Government of Canada. Other federal and territorial ministers will have regulatory decision-making responsibilities pursuant to their respective mandates. The Government of Canada and the Government of the Northwest Territories ("GNWT") are working closely together during the EA process.

As you are aware, the Canadian Zinc Corporation (the "Developer") filed a Land Use Permit and Water Licence application with the MVLWB and Parks Canada for the construction of an all-season road between the Liard Highway and the Prairie Creek Mine as well as the construction of an adjacent airstrip (the "Project"). On May 22, 2014, the MVLWB referred the Project to the Review Board for EA.

During the EA, a variety of opportunities are available for potentially affected Aboriginal groups to communicate any concerns to the Review Board, including during the technical review, submission of information requests and public hearing phases of the EA. When providing such input, groups are encouraged to:

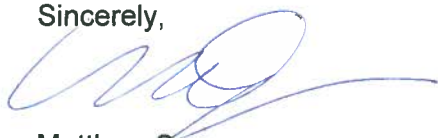
- clearly indicate, in as much detail as possible, whether any adverse impacts on their established or asserted Aboriginal or treaty rights are anticipated as a result of the Project; and, if so,
- clearly indicate the specific right(s) that may be affected, the specific impact(s) on those right(s), how those impacts can be mitigated, as well as any evidence that will help in understanding those impacts; and,
- support the Review Board in understanding the evidence, including traditional knowledge, with respect to both potential impacts and mitigations.

In addition to the EA process, direct engagement with the Developer is one of the principal means through which groups can:

- fully understand the nature and scope of the Project;
- identify any potential adverse impacts of the Project;
- explore alternatives to eliminate or mitigate such impacts; and,
- offer local knowledge or advice on the Project.

At the conclusion of the EA, should the project proceed to permitting, there will be additional opportunities for engagement and consultation with the LKFN. The Government of Canada looks forward to the LKFN's continued participation in the EA, regulatory processes and related engagement opportunities.

Sincerely,



Matthew Spence
Director General
Northern Projects Management Office

CC: Chief Gerald Antoine, Łı́ıdlı́ı Kúé First Nation
Grand Chief Herb Norwegian, Dehcho First Nation
Mark Cliffe-Phillips, Executive Director, Mackenzie Valley Environmental Impact Review Board
Kate Hearn, Assistant Deputy Minister, Planning and Coordination, Department of Lands,
Government of the Northwest Territories