

Lı́ıdlı́ Kúé First Nation

P.O. Box 469, Fort Simpson, NT X0E 0N0

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6 March 2018

Mr. David Harpley
Canadian Zinc Corporation
Suite 1710-650 W. Georgia Street
Vancouver, BC V6B 4N9

Re: Canadian Zinc Corporation engagement with LKDFN

Dear Mr. Harpley:

We wrote to you on March 1st providing a response to your letter of February 19, 2018 and email of February 28, 2018.

We further note your letter of March 5th in relation to the requests made by the responsible Ministers in regard to the Mackenzie Valley Environmental Review Board's (Review Board) Report of Environmental Assessment and Reasons for Decision ("REA") on Canadian Zinc's ("CanZinc") proposed Prairie Creek All Season Road Project ("Project") EA1415-01.

CanZinc appears to be under a misapprehension about who bears the onus for initiating the engagement process that the responsible Ministers have outlined. CanZinc, not LKFN, is the proponent of the all-season road project, and CanZinc, not LKFN, is responsible for initiating this process. We are well aware that "half of the extension has now elapsed", but CanZinc has not yet provided LKFN with either the materials or the means by which a meaningful engagement on your project can occur.

In our letter of 1 March and in our previous communications to you on this matter, LKFN has set out what we believe are reasonable expectations of a proponent in this regard. We proposed a process that would include:

- the development of a workplan and agenda for meetings to address each of the matters on which engagement is required, and adequate time for both parties to prepare for the discussion.
- provisions for the participation of senior officials and technical representatives from each party with the expertise to address the matters under discussion;
- adequate resources for LKFN to obtain the necessary technical advice and seek input from our members through community engagement.

We note, however, that the "Initiation of Engagement" document that you have provided appears to confuse the Prairie Creek Mine assessment (EA0809-002) and the IBA concluded with LKFN in respect of that project with the current All-Season Road Project assessment (EA1415-01) and the issues that are currently subject of the Information Requests by the Responsible Ministers.

LKFN strongly cautions CanZinc against reliance on TK information and approvals that were specifically provided in relation to the "Prairie Creek mine site area" when considering the entirety of the proposed All-Season Road Project, or monitoring mechanisms that were developed in the context of IBAs concluded in relation to the project described in 2008 that only contemplated winter road operations. We also note that CanZinc's "Draft Replies" to the Information Requests also appear to largely take issue with underlying issues which gave rise to the Information Requests, rather than inviting a meaningful discussion on how the underlying issues might be resolved through the inclusion of LKFN perspectives. LKFN is not seeking further debate about whether such issues should be addressed. We believe the objective of the engagement is to identify mechanisms by which the issues can be resolved, and trust that CanZinc will be willing to work towards that end.

Subject to the above comments and conditions, LKFN remains prepared to undertake a meaningful engagement with CanZinc about the issues that are the subject of the information requests by the Responsible Ministers. We look forward to your response.

Sincerely,



Chief Gerald Antoine
Łíídljį Kúé First Nation

cc: Grand Chief Herb Norwegian, Dehcho First Nation
Chief Peter Marsellais, Nahanni Butte Dene Band
Umar Hasany, NPMO
Federal and Territorial Departments



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1 March 2018

Mr. David Harpley
Canadian Zinc Corporation
Suite 1710-650 W. Georgia Street
Vancouver, BC V6B 4N9

Re: Canadian Zinc Corporation engagement with LKDFN

Dear Mr. Harpley:

Líidljí Kúé First Nation ("LKFN") is writing with regard to your letter of February 19, 2018 and email of February 28, 2018. CanZinc has not yet meaningfully engaged with LKFN regarding your plans for implementing the measures and commitments set out in the REA or your proposed amendments to several major licenses.

We are aware of the requests made by the responsible Ministers in regard to the Mackenzie Valley Environmental Review Board's (Review Board) Report of Environmental Assessment and Reasons for Decision ("REA") on Canadian Zinc's ("CanZinc") proposed Prairie Creek All Season Road Project ("Project") EA1415-01 and the associated Mackenzie Valley Land and Water Board ("MVLWB") authorizations. We are also well aware of your letter of October 12, 2017, giving notice of CanZinc's plans seeking amendments to existing water licenses and to extend the authorization for the winter road.

As a consequence of these requests, we have had to commit significant time and our resources to engaging in the Review Board and MVLWB processes concerning your projects, but we see no evidence of CanZinc's making anything other than minimal effort to engage with LKFN.

As you know, we are not satisfied with the rationales that you have provided to the MVLWB for advancing the construction of a winter road while the all-season road remains under review. We are also unable to meaningfully respond to your water license amendment requests, as you have not provided no information concerning your financing issues, and LKFN has no resources with which we can assess the technical issues associated with your requests.

To put it directly, CanZinc's efforts to date are wholly inadequate to meaningfully engage with LKFN, and we are extremely frustrated by the lack of any meaningful engagement or consultation with LKFN on any of these matters.

Meetings organized on short notice without agendas or adequate time to prepare for substantive discussions are not effective engagement or meaningful consultation, and do nothing to advance our relationship or resolve our concerns. The issues that we have raised before the Boards and the information requests put forward by the Ministers in their January 19th letter are technical in nature, and warrant more than a brief discussion with your community representative. Similarly, your proposal to extend the term of your water license to 25 years is an unprecedented request, and one that requires serious discussion.

In our view, these matters can only be resolved through a formal process of engagement.

LKFN proposes that such a process should include:

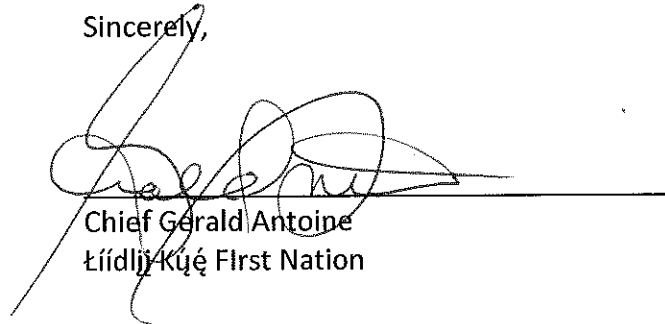
- the development of a workplan and agenda for meetings to address each of the matters on which engagement is required, which will provide adequate time for both parties to prepare for the discussion.
- provisions for the participation of senior officials and technical representatives from each party with the expertise to address the matters under discussion;
- adequate resources for LKFN to obtain the necessary technical advice and seek input from our members through community engagement.

We are prepared to participate in such a process jointly with the Nahanni Butte Dene Band and with the Dehcho First Nations if those organizations are interested in doing so.

LKFN has recently demonstrated in our dealings with Enbridge that we are more than willing to successfully engage with developers who are committed to meaningful consultations and pro-active measures to address our community's concerns. We expect no less of CanZinc.

I hope to hear from you soon.

Sincerely,



Chief Gerald Antoine
Łíídlį Kųé First Nation

cc: Grand Chief Herb Norwegian, Dehcho First Nation
Chief Peter Marsellais, Nahanni Butte Dene Band.