

From Peter J. Jernig

0405  
EAS001-002  
CZN Expansion



Chuck Blyth

05/18/2004 05:40 PM

To: "Sarah Baines" <sbaines@mylwb.com>  
cc: (bcc: Suzanne Richards/NOTES/PC/CA)  
Subject: CZN Phase II Drilling - Expanded Scope

As you requested in your letter dated April 27, 2004, Parks Canada Agency has reviewed the amendment application as submitted by CZN on April 23, 2004 and LUP MV2001C0022, offers the following comments:



Mackenzie Valley Land & Water Board

Expanded Drilling Area May 18 2004 nahanni expansion.jp

File

MAY 19 2004

Application # MV2001C0022  
Copied To PLU SB 18M Reg

Post-it™ Fax Note	7671E	Date	May 19/04	# of pages	10
To	BRENDA	From	SUZANNE RICHARDS		
Co./Dept.	MV/LWB	Co.			
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Parks Canada - Parcs Canada

Nahanni National Park Reserve of Canada  
Parks Canada Agency  
P.O. Box 348  
Fort Simpson, NWT X0E 0N0

May 18, 2004

Ms. Sarah Baines  
Regulatory Officer  
Mackenzie Valley Land and Water Board  
7<sup>th</sup> Floor – 4910 50<sup>th</sup> Avenue  
P.O. Box 2130  
Yellowknife, NWT X1A 2P6

Dear Ms. Baines:

**RE: Review of Amendment Document: Phase II Drilling at Prairie Creek Minesite – LUP MV2001C0022**

As you requested in your letter dated April 27, 2004, Parks Canada Agency has reviewed the amendment application as submitted by CZN on April 23, 2004 and LUP MV2001C0022, offers the following comments:

1. Parks Canada Agency believes that this amendment constitutes a significant change and should be considered as a new permit. The revised project has expanded from a geographic area of 3.14 square kilometres (1000 meter radius surrounding the existing mine site facility) to an area approximately 123 square kilometers. This constitutes a significant increase in the geographic scope of the project. The environmental effects for disturbance in this expanded area have not been assessed and this analysis needs to be conducted prior to granting approval to Canadian Zinc.
2. In addition, with the expanded geographic scope of the project, a number of other issues arise which will not have been addressed in the environmental assessment. How will these remote sites be accessed? If helicopters will be used to access or if a helicopter portable drill will be used, what will be the associated environmental effects, and how will these be mitigated? What support services are required (fuel caches, acceptable landing sites, drilling fluids and equipment, etc.)? There are also a number of contradictions in the correspondence from Alan Taylor to Sarah Baines dated April 20, 2004 with respect to the access roads. In section 6, existing pads or new pads "will be constructed immediately adjacent to existing tote roads". However in the next statement, the possibility of new access roads is discussed. In section 7, extensions to existing roads are also mentioned, and in section 8, "only access spurs to drill pads from existing roads will be required". Clarification is needed on whether or not new roads will be required. What is the difference between access spurs and new access roads? How will these be constructed and what are the environmental effects associated with this construction? What mitigation will be implemented?
3. Another matter of significant concern to the Parks Canada Agency is that the proposed expanded geographic scope of the drilling could result in drilling within the lands withdrawn as an interim

measure by the Deh Cho Process and under consideration for expansion of Nahanni National Park Reserve. In the attachment, the leases, mineral claims and surface claims have been mapped and it appears that drilling will be undertaken in withdrawn lands. Mining activity in a national park would be contrary to Parks Canada mandate. If mining is considered in lands withdrawn for Nahanni National Park Reserve, this proposal would also raise significant public concern, as evidenced by proposed mining activity even adjacent to national parks in other jurisdictions.

4. Furthermore, Parks Canada is of the opinion that the revised project should be referred to environmental assessment. In Appendix F to the *Guidelines for Environmental Impact Assessment in the Mackenzie Valley* (Spring 2001 Draft), section G3, guidance is provided to preliminary screeners on the characteristics of developments that should be referred to the Review Board for environmental assessment. The guide further states that "any development proposal, or component of a development that meets at least one of "a list of characteristics provided should be referred to environmental assessment. The revised project will meet the following characteristics in the list:
- Development will be in an area or region that is previously undisturbed. The expanded geographical scope requested for the drilling will be in areas previously undisturbed.
  - Development adds to the fragmentation of an area. The drilling program for 50-60 holes and requirement for new road access as described in the correspondence from Alan Taylor to Sarah Baines dated April 20, 2004 will definitely result in fragmentation of the areas.
  - Development disturbs habitat of, or individuals, of rare, endangered or protected species. The grizzly bear population is a population designated as a population of special concern in the NWT and Yukon Territory. The development proposed will disturb both the habitat and individuals. As such Species at Risk SARA legislative requirements must be carefully considered. In particular one should consider the prohibition with respect to affecting or preventing species residence. For example, bear den sites would be required to be identified and avoided. Confirmation of the importance of this area to grizzly bears can be confirmed by input by John Weaver who conducted grizzly research in this area last summer.
  - Development potentially disturbs or potentially adds to the disturbance of species that occur or migrate across regulatory or political boundaries. Since the grizzly bear has a large range, the development will result in disturbances to a species that migrates across regulatory or political boundaries.
  - In 2002 a study on the distribution, life history and habitat requirements of Bull Trout in the Lower South Nahanni watershed was completed for the Parks Canada Agency. It identified the Prairie Creek drainage and a number of its tributaries as key spawning habitat for Bull Trout. COWSEWIC has identified Bull Trout on its Highest Priority Candidate List. Species on this list are suspected of being in some category of risk, extinction or extirpation in Canada. Given the precautionary principle and the ramifications on mining activities from the implementation of SARA legislation, further research needs to be conducted on the importance of the Prairie Creek drainage to local populations of Bull Trout as well as their status in the Northwest Territories.

The referral to environmental assessment is particularly important when considering the factors that have been included in the permitting process for Canadian Zinc in the past. In the *Report of Environmental Assessment for the Canadian Zinc Corporation Phase II Mineral Exploration Drilling Program* provided by the proponent dated June 7, 2001, mitigation measures are described in general terms only. In providing comments on the deficiencies in the mitigation, Parks Canada was advised that mitigation not prescribed in the EA Report would be included in the permit. Parks Canada therefore made a request to Mr. Bob Wooley, Executive Director of the MVLWB, on November 6, 2001, to be provided with an opportunity for input to the MVLWB for the purpose of establishing terms and conditions on the land use permit. Although the Board was required to consult with Parks Canada Agency as per Part 4, section 97(3) of the *Mackenzie Valley Resource Management Act*, this was not done. The land use permit that was issued did not include specific mitigative measures that would have ensured greater protection of the environment.

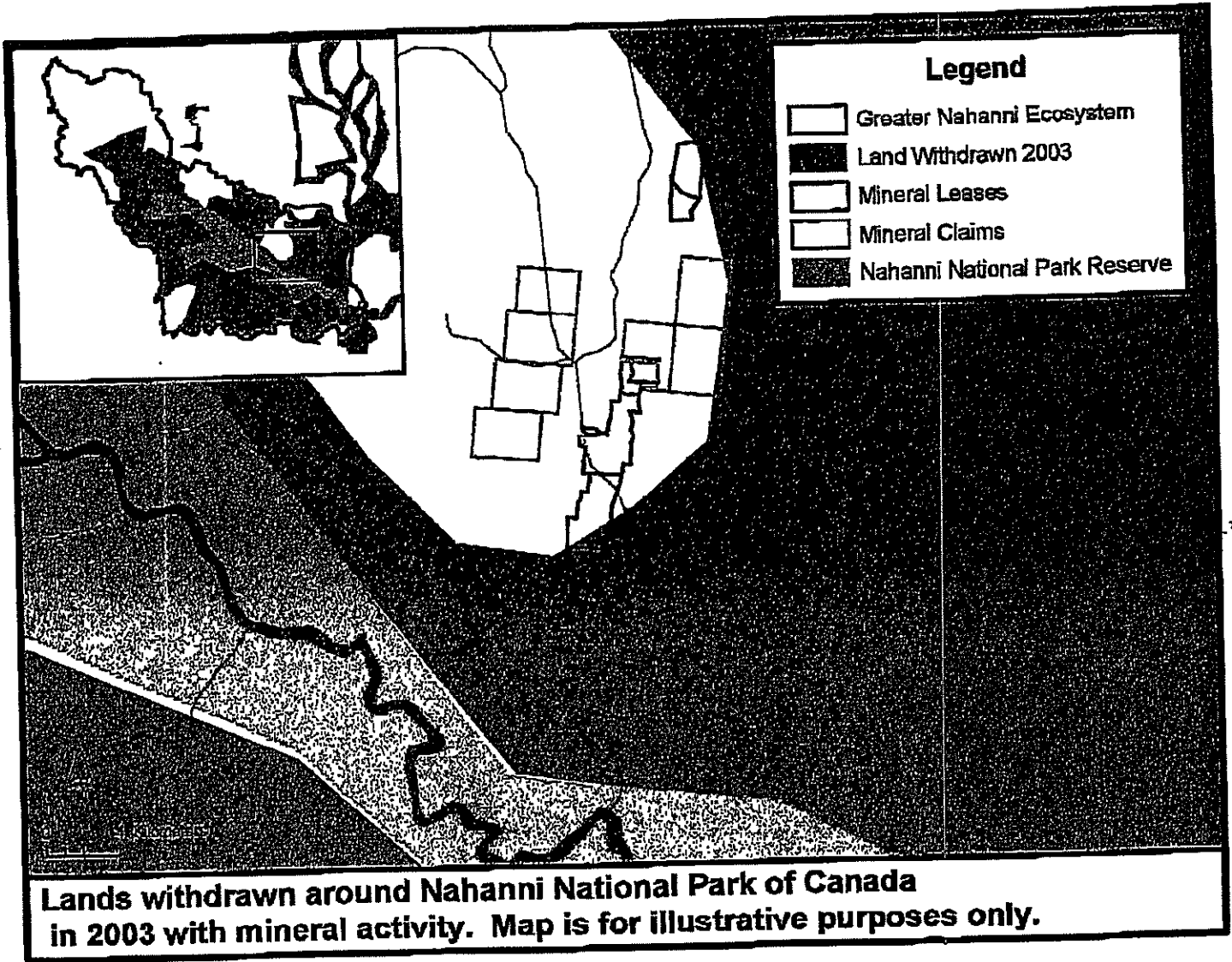
In summary, Parks Canada recommends that the proposed amendment to the drilling program be considered as a new permit and that the project be referred to environmental assessment. In considering the possible impacts to Nahanni National Park Reserve, Parks Canada further requests that we be consulted by the MVLWB before a land use permit is issued, as required by Part 4, section 97(3) of the *Mackenzie Valley Resource Management Act*.

If you have any questions with respect to these comments, please do not hesitate to call me at (867) 695-3151.

Yours truly,

Chuck Blyth  
Superintendent, Nahanni National Park Reserve

Attachment

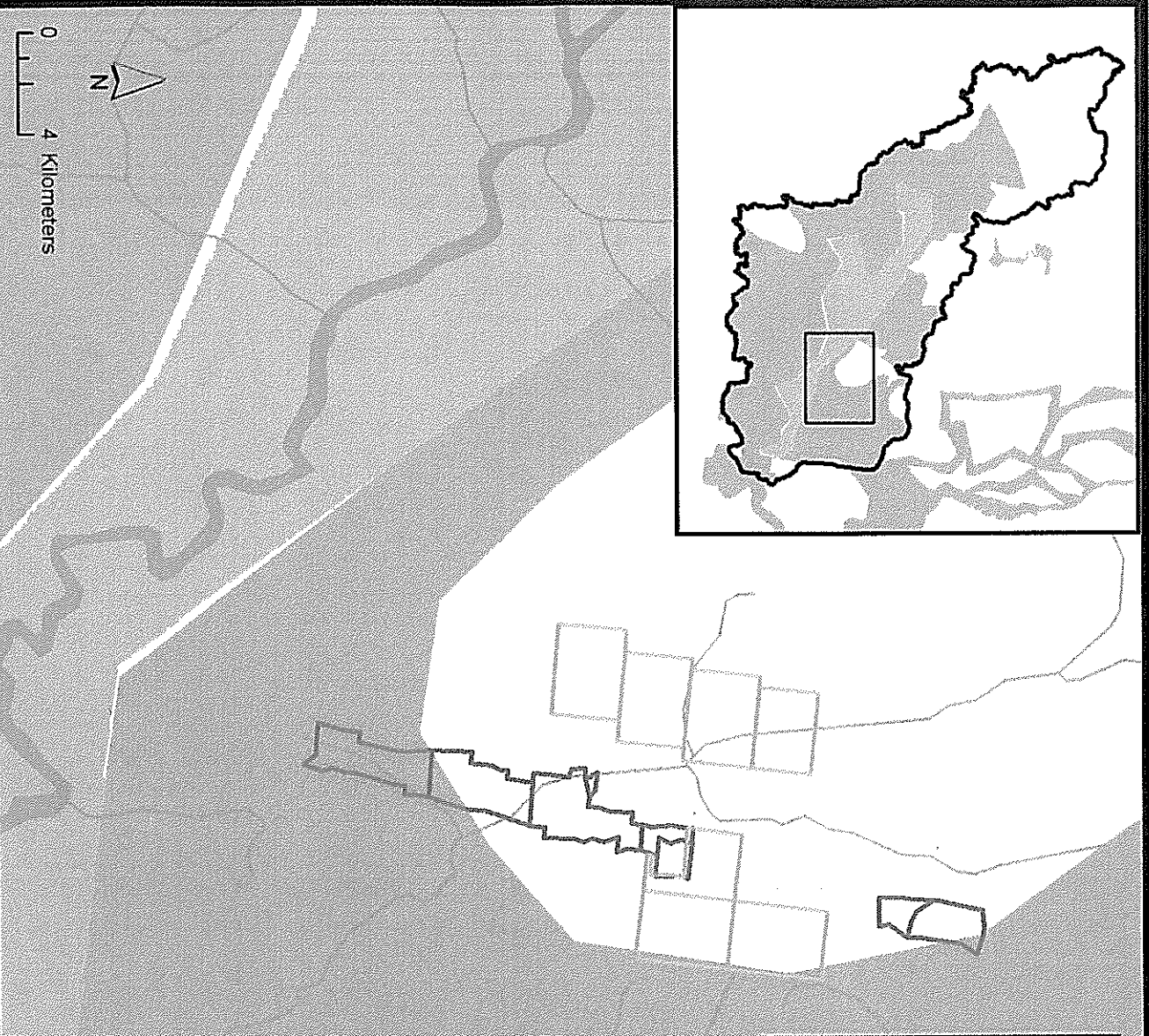
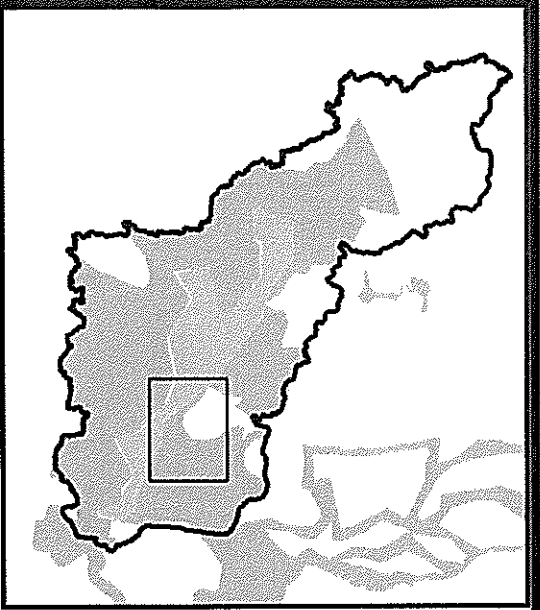


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


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**Legend**

-  Greater Nahanni Ecosystem
-  Land Withdrawn 2003
-  Mineral Leases
-  Mineral Claims
-  Nahanni National Park Reserve

**Lands withdrawn around Nahanni National Park of Canada in 2003 with mineral activity. Map is for illustrative purposes only.**

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