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July 19, 2005

Via Facsimile: 867-766-7074

Mackenzie Valley Environmental Impact Review Board
5102 – 50th Ave
Yellowknife, NT, X1A 2N7

ATTN: Vern Christensen, Executive Director

Dear Mr. Christensen,

**Re: CPAWS-NWT's Party Status in Canadian Zinc Corporation's Phase III
Drilling Program Environmental Assessment #EAQ405-002**

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The Northwest Territories Chapter of the Canadian Parks and Wilderness Society (CPAWS-NWT) has retained us to make submissions to the Mackenzie Valley Environmental Impact Review Board (Review Board) regarding the Review Board's letter of July 15, 2005, attaching Canadian Zinc Corporation's letter of July 14, 2005, which challenged CPAWS-NWT continuing as a party to the aforementioned environmental assessment.

We understand that you requested submissions by Tuesday, July 19th, 2005. We do not consider this adequate time to fully address the issues. To protect our client's interests, however, we outline the following points to support CPAWS-NWT retaining party status.

1) Previous involvement in Canadian Zinc environmental assessments

There is clear precedent for CPAWS-NWT continuing as a party given they are a current party and were parties in previous environmental assessments during which they provided both technical expertise and the unique perspective of an organization dedicated to protecting Canada's wilderness. More particularly, CPAWS-NWT participated as parties in previous environmental assessment processes and submitted comments to the Review Board in relation to environmental assessments for the following applications made by Canadian Zinc for activities at the Prairie Creek mine site:

- (a) 6-7 hole mineral exploration drilling land use permit application;
- (b) Cat Camp Fuel Cache Recovery land use permit application, which included an application for a 40 km all-weather road;
- (c) 60 hole (Phase II) mineral exploration drilling land use permit application;
- (d) Decline drill land use permit application; and
- (e) Pilot plant water licence.

The merit of their participation is demonstrated, in part, by the Review Board citing CPAWS-NWT in their various decision and recommendation documents.

2) Involvement in environmental assessment related to existing and potential protected areas

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The participation of CPAWS-NWT in proceedings of the MVEIRB is consistent with CPAWS-NWT's demonstrated interest in environmental assessment processes throughout Canada particularly where proposed developments posed a threat to protected areas, and during which they provided technical and contextual expertise. CPAWS-NWT's participation has included active environmental assessment participation, participation in processes regarding development of policy and legislation, and in legal proceedings with regard to the nature and scope of environmental assessment at both the federal and provincial courts, and at both trial and appellate levels.

In the context of this environmental assessment, CPAWS-NWT has extensive familiarity with the Nahanni region and a long history of protection efforts. From the late 1960s, CPAWS-NWT promoted the protection of the Nahanni area as a national park. In 1978, the federal Minister responsible for National Parks asked Robin Fraser, CPAWS former national president, to represent the people of Canada at the formal ceremony declaring the Nahanni National Park Reserve a World Heritage Site. To ensure that the values of the South Nahanni Watershed are acknowledged and protected, CPAWS-NWT has participated in regulatory and environmental processes for many developments besides that proposed by Canadian Zinc. These include, for example, participating in applications related to oil and gas seismic exploration in the South Nahanni Watershed from Explor Data, Talisman Energy, Northern Rivers Surveys, and Western Geco as well as a water licence application by North American Tungsten Corporation Limited for the Cantung mine.

3) CPAWS-NWT's legitimate expectations

Revoking party status would breach the legitimate expectations of CPAWS-NWT based on their having previously participated in environmental assessments (and their having been approved to do so in this assessment).

4) Canadian Zinc has not raised relevant grounds

Other than bare allegations, Canadian Zinc has not raised any grounds that directly identify CPAWS-NWT's inability to effectively and fully participate as a party. Canadian Zinc's request the CPAWS-NWT's party status be revoked suggests that they wish the rules interpreted so that only parties who support developments should participate in environmental assessments. Canadian Zinc's position offends the principle that environmental assessment is intended to protect the public interest, an interest that should be defined as broadly as possible.

5) Precedent will discourage debate

Canadian Zinc's emphasis on grounds other than CPAWS-NWT's participation in the environmental assessment suggests that their request is brought not to ensure thorough environmental assessment but for the improper purpose of stifling public discourse on their proposed development. The right to participate as a party in environmental assessments stems from the interest the prospective party has in the outcome of the assessment. Revoking CPAWS-NWT's party status because of their activities outside the process would create an improper precedent both in terms of ensuring that a diversity of interests appear before the Review Board and in the context of ensuring free and informed public debate regarding developments in the Northwest Territories while a party is participating.

6) Organizational position irrelevant to environmental assessment process

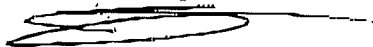
Canadian Zinc's position that CPAWS-NWT's submissions should in any event be given no weight because of CPAWS-NWT's stated objections to the development is similar to the historical debate about the appropriateness of granting developers party status in environmental assessments because of concerns regarding their objective involvement. One position has about as much merit as the other and, if the MVEIRB accepts Canadian Zinc's position, we submit they should also attach no weight to Canadian Zinc's submissions to the assessment process because of their overt support for their mining operation.

7) Precedent may frustrate participation

Lastly, Canadian Zinc's request, if upheld could very likely have the effect of discouraging participation by the public in environmental assessment, frustrating a purpose of the *Mackenzie Valley Resource Management Act* to enable residents of the Mackenzie Valley to participate in the management of its resources, a circumstance which could bring into doubt the institutional legitimacy of the Review Board and its decisions.

On the basis of the foregoing, we submit that the Review Board should disregard Canadian Zinc's request.

Sincerely,



Devon Page
Staff Lawyer

cc: Daryl Sexsmith, Executive Director, Canadian Parks and Wilderness Society -NWT Chapter

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