



Mackenzie Valley Land and Water Board  
7th Floor - 4910 50th Avenue • P.O. Box 2130  
YELLOWKNIFE, NT X1A 2P6  
Phone (867) 669-0506 • FAX (867) 873-6610

July 21, 2008

File: MV2008T0012  
MV2008T0013  
MV2008D0014  
MV2008L2-0002

Distribution List

Dear Sir/Madame:

**Application Review Process**

It has been brought to the attention of the Mackenzie Valley Land and Water Board (MVLWB or the Board) that the Canadian Zinc Corporation did not apply for an exemption pursuant to section 157.1 of the *Mackenzie Valley Resource Management Act* (MVRMA).

In light of this information, the Board will be moving forward with a preliminary screening of the applications.

Please submit your comments in writing by **August 8, 2008** quoting the above noted Land Use Permits or Water Licence. Should you find that additional time is required to complete further studies or investigations, contact me prior to this date.

If you have any questions regarding this application, contact me at (867) 669-0506 or email [permits@mvlwb.com](mailto:permits@mvlwb.com).

Yours sincerely,

A handwritten signature in black ink that reads "V Meeres".

Valerie Meeres  
Regulatory Officer

Attachment



July 18, 2008

Adrian Paradis  
Regulatory Officer  
Mackenzie Valley Land and Water Board  
7<sup>th</sup> Floor-4910 50<sup>th</sup> Avenue,  
Yellowknife, NT  
X1A 2P6

Dear Mr. Paradis

**RE: Application Review Process: MV2008L2-0002, MV2008T12, MV2008T13, MV2008D14, Prairie Creek Mine**

We refer to your letter dated July 14, 2008 addressed to the Distribution List with regard to the Application Review Process.

Please note that the Mackenzie Valley Land and Water Board (MVLWB) appears to have misread or misunderstood our covering letter to the above noted applications dated May 28, 2008.

Canadian Zinc Corporation (CZN) did **NOT** indicate the view that the Water Licence and Land Use Permit Applications should be exempt from the Application of Part 5 of the MVRMA. The May 28, 2008 cover letter, and the applications themselves, state that the Prairie Creek Mine undertaking as proposed contains certain enhancements and improvements (in the interest of superior environmental protection). Specifically, we propose to place rock and tailings underground in a cemented backfill mix, use the existing large pond for temporary water and filtered tailings storage, and place development rock in an engineered facility. All other plans are as before. The enhancements and improvements could be argued to be "significant alterations" to the previously permitted undertaking, and as such could take the application outside of the exemption.

As things stand at present, there will be an inevitable delay before the MVLWB decides whether the applications are exempt from Part 5 or not. CZN does not wish to incur this delay, and we wish to advise that CZN will not oppose a MVLWB determination to submit the applications to environmental assessment. We are anxious that the regulatory process move forward expeditiously.

Our letter of May 28, 2008 did indicate, for the record, CZN's view that an application for permits for the same undertaking as previously permitted, without significant alteration, would be exempt from the application of Part 5. We would add that the applicability of the exemption pursuant to Section 157.1 is a matter of law and is not something that is subject to the opinion of reviewers.

Therefore, we respectfully request that you immediately withdraw the letter of July 14<sup>th</sup> and commence preliminary screening of the applications. We request that the MVLWB complete its review and make its determination within the 42 days noted in your letters to CZN informing us of the completeness of our applications, also dated July 14, 2008. Further, in light of the above advice, the review period might in fact be shortened.

We would also like to take this opportunity to reiterate that we expect the MVLWB (and the MVEIRB if applicable) to note that, if Part 5 applies to the mine Water Licence and LUP applications, it is because of the enhancements and improvements noted above, and due consideration should be given to this and the previous environmental assessments, existing permits, approved management plans and precedents relating to the Prairie Creek Property. We continue to believe these should be an important consideration in determining the form and content of the future regulatory process.

Yours truly,  
CANADIAN ZINC CORPORATION



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



Alan B. Taylor, P. Geo.  
COO & VP Exploration



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July 14, 2008

File: MV2008T0012  
MV2008T0013  
MV2008D0014  
MV2008L2-0002

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Dear Sir/Madame:

**Application Review Process**

Attached for your review and comments are the above mentioned land use permit and water licence applications. Your comments will be used in the evaluation of these applications by the Mackenzie Valley Land and Water Board (The Board).

Please note that in its covering letter dated May 28<sup>th</sup>, 2008 that Canadian Zinc Corporation (CZN) indicated its view that the water licence application MV2008L2-0002 and land use permit application MV2008D0014 would be exempt from application of Part 5 of the *Mackenzie Valley Resource Management Act (MVRMA)* pursuant to section 157.1 of the Act. CZN did not express similar views in relation to land use permit applications MV2008T0012 and MV2008T0013 in the May 28<sup>th</sup>, 2008 letters accompanying those applications.

Before the Board can proceed to address any questions associated with regulatory requirements for the licence and permits it must address the applicability of Part 5 of the *MVRMA* to some or all of these applications. The Board's analysis will include two steps. First, it must determine the applicability of Part 5 of the *MVRMA* and second, it must address the regulatory requirements and process applicable to the applications.

The Board would like to conduct this analysis on the basis of a single submission from reviewers and is asking reviewers to submit their comments regarding this request on all listed applications.

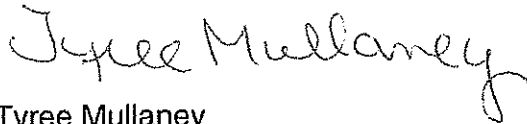
Address the question of the applicability of section 157.1 of the *MVRMA* first. Address each of the applications individually in your response. Please explain why you think section 157.1 does or does not apply and why. The Board will be making a decision on the applicability of section 157.1 of the *MVRMA* prior to further proceedings.

Please also provide any comments on the completeness of the applications, on any technical or environmental issues or concerns you wish to raise to the Board's attention and on the most appropriate process for addressing these matters if the applications are not subject to Part 5 of the *MVRMA*.

Please submit your comments in writing by October 7, 2008 quoting the above land use permit and water licence numbers. Additional information may be located by following link to the electronic registry: <http://www.mvlwb.ca/mv/registry.aspx> - search under the application numbers listed at the top of the letter.

If you have any questions regarding this application, contact me at (867) 669-0506 or email [permits@mvlwb.com](mailto:permits@mvlwb.com).

Yours sincerely,



Tyree Mullaney  
Regulatory Officer

Attachment