



DEHCHO FIRST NATIONS

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September 13, 2011

Attn: Mr. Chuck Hubert
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
Via E-mail: chubert@reviewboard.ca

Re: Canadian Zinc EA – Argument

Through the statement delivered by Grand Chief Gargan and by the questioning of consultant Joe Acorn, Dehcho First Nations raised a number of issues regarding the proposed mine. As we stated at the hearing, it is absolutely vital that this project does nothing to significantly undermine the ecological integrity of both the mine area and the Nahanni National Park Reserve.

The major environmental issue at the hearings, both for DFN and for other interveners, was clearly the impact upon water quality and fisheries as a result of the water treatment scenario put forward by Canadian Zinc. The information provided by CZN was lacking in quality, certainty and analysis regarding the discharge of effluent into Prairie Creek and the impacts upon water quality and fisheries in the Creek. This was not acceptable given that this project is surrounded by Nahanni National Park Reserve.

Since the public hearing, there have been numerous meetings between Canadian Zinc, Aboriginal Affairs and Northern Development Canada (AANDC) and other parties, including DFN, to work out solutions to the water quality issues as well as tailings management.

A major point of contention between CZN and the other parties has been the use of the Reference Condition Approach (RCA) as proposed by AANDC. As we stated in the hearing, DFN supports AANDC in its position that RCA should be used as the basis for what is allowed to be discharged into Prairie Creek. The RCA, which uses the background water quality in the Creek as the basis for what can be allowed for discharge, is more protective of water quality than the process proposed by CZN and better able to meet our goals of maintaining the ecological integrity of the Prairie Creek and the Nahanni National Park Reserve. **The RCA is the water quality standard to which this project needs to be held.**

If CZN is unable to meet the water discharge standard required by using the RCA, then the first option needs to be an improved water treatment process such that the RCA can be met. While we expect CZN to propose the use of risk assessments as an alternative to RCA to determine what can or cannot be allowed for discharge, the use of reasonable water treatment process

improvements to improve the quality of water discharge should be required. **Risk assessments to determine water discharge quality should be a last resort option which is used only after the evaluation of reasonable water treatment options to meet the RCA have been exhausted.**

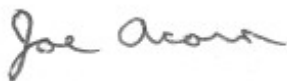
On the issue of tailings management, CZN is now proposing to place a larger portion of DMS rock on the surface waste rock pile to ensure that 100% of the tailings can be placed underground. While we accept that doing so would open up space in the underground workings to allow for complete placement of the tailings through paste backfill, additional work needs to be done to characterize the quality and quantity of the leachate that will be coming from the waste rock pile. This leachate, coming both from the surface as well as the underground below the waste rock pile, will need to be collected and treated. **The work needed to characterize this leachate and ensure that it can be treated to the standards required has not yet been done and it needs to be completed prior to this project progressing to the water licensing stage.**

We also remain concerned about CZN's assertion that all of the underground seepage from the waste rock pile will just flow into the underground workings to be collected and treated. We have seen no analysis to support this assertion. If CZN is incorrect then untreated leachate will be contaminating the local groundwater and eventually being released into Prairie Creek with no treatment. **This is a major issue and CZN needs to complete the work necessary to determine the flow paths of the underground leachate prior to this project progressing to the water licensing stage.**

As we mentioned, we have been participating in the post-hearings water quality meetings. We have kept in close communication with AANDC and think we have a good understanding of what AANDC's final positions and recommendations will be, however we have not yet seen the final recommendations from AANDC or any other parties. As a fair and proper review process requires that interveners be given the opportunity to respond to final recommendations made by other interveners, DFN will review the argument filed by AANDC and any other parties and file a response with the Review Board if we determine that to be necessary.

This project is located in a vitally important and environmentally-sensitive area of the Dehcho Territory. We expect the Review Board to hold both itself and CZN to the highest possible standards if this project is to proceed.

Sincerely,



for Grand Chief Samuel Gargan