



September 27 2010

VIA EMAIL

Chuck Hubert
Environmental Assessment Officer
Mackenzie Valley Review Board
200 Scotia Centre
P.O. Box 938
Yellowknife, NT X1A 2N7

Dear Mr Hubert:

Government Information Requests – Canadian Zinc Corporation EA0809-002

Please find attached the Government of the Northwest Territories (GNWT) response to the MVEIRB's Information Request to Governments dated August 26, 2010. Included below is a list of all potential permits, authorizations or agreements that may be required from the GNWT.

Please call Amy Jenkins at (867) 920-6593 with any questions you may have.

Sincerely

A handwritten signature in purple ink that reads "Gavin More". The signature is written in a cursive, flowing style.

Gavin More
Manager
Environmental Assessment and Monitoring
Environment and Natural Resources

Access to Public Highway Permit

Pursuant to the Public Highways Act section 3(a) “*No person shall construct or maintain a means of access to or from a primary highway unless a permit authorizes the construction, maintenance and use of it as a means of access*”. Therefore, for the purposes of managing public highways in relation to the Project, the Department of Transportation (DOT) will require CZN to file for an Access to Public Highway Permit.

Discussions between DOT and the proponent on application requirements will be ongoing and not form part of the Environmental Assessment.

NWT Class 2 Archaeological Permit

The Prince of Wales Northern Heritage Centre (PWNHC), to mitigate the impacts from development on archaeological sites, identifies the need for an archaeological impact assessment and makes a recommendation to the appropriate regulatory agency.

Once a proponent initiates an archaeological sites assessment, the PWNHC is responsible for issuing a NWT Class 2 Archaeological Permit under the NWT Archaeological Sites Regulations authorizing field work to the archaeologist hired by the proponent to conduct an archaeological impact assessment (AIA) of their project. The PWNHC assesses the completeness of the study and its impact mitigation recommendations, and, in conjunction with the land management authority, ensures that the developer complies with the AIA recommendations.

At this time, the PWNHC is of the opinion that the scope of the AIA for this would likely focus on the proposed winter road realignment.

Timber Management

To determine the need for permits or licences under the *Forest Management Act*, ENR requires a proponent to provide:

- Detailed information on timber volume being impacted and the project footprint;
- The timing and methods of forest clearing and timber harvest;
- Plans for wood transport and use; and
- Plans for handling this large volume of wood, and the woody debris that will be encountered

At this time, it is not known what, if any, permits or licences are needed but could include:

Timber Cutting Permit¹

¹ **Incidental Forest Use Licence** - Proposed amendments to Regulations under the *Forest Management Act* will establish the requirement for an Incidental Forest Use Licence. This licence requirement will help to address concerns with the impact to forest resources resulting from industrial activity not related to forest industry development and will ensure that appropriate use is made of forest resources cleared during development

Should the proponent utilize any timber during the construction of the road re-alignment, a timber cutting permit could be required.

Timber Transport Permit

Should the proponent or a community decide to transport timber, a Timber Transport Permit would be required under the *Forest Management Act* regardless of use.

Permit to Burn

Under the *Forest Protection Act*, a permit to burn is required during the closed season (i.e. May 1 and ending on September 30) throughout the Northwest Territories (NWT). All of the NWT, including private lands, falls under this Act.

Burn permits are issued by ENR. The exceptions to this are municipalities with a burn permit by-law. In these situations, the municipality issues burn permits within the municipal boundaries.

The Forest Supervisor or a forest officer may attach conditions or restrictions to a permit issued under the Act that are considered necessary for a safe burn. Most typically these specify the quantity and type of tools, pumps, hose and other firefighting appliances and equipment or safety devices to be used on site, as well as conditions on the duration, time of day and weather conditions for a burn operation.

Wildlife Research Permit

A valid Wildlife Research Permit is required under the *Wildlife Act* to study wildlife or wildlife habitat in the Northwest Territories. Research includes monitoring, experiments, surveys and any study of any form done for the collection of wildlife or wildlife habitat related information or data. It is an offence, under the *Wildlife Act*, to conduct a survey or census of wildlife or wildlife behaviour, administer drugs, collect or purchase specimens or carry out any scientific research relating to wildlife without a permit.

Socio Economic Agreement

Socio-economic agreements ensure the implementation of mitigation measures, compliance, monitoring and reporting on the socio-economic impacts of a project. It provides for a consultative and cooperative approach to the socio-economic management of the project involving federal, territorial and Aboriginal governments / organizations as well as the proponent.

In reference to CZN's letter to the Review Board of August 16, 2010, "*CZN intends to initiate discussions with the GNWT regarding a socio-economic accord covering the project once the IBA's are nearly complete. The accord is expected to cover training and employment, business procurement plans, and project plans to minimize social impacts and maximize socio-economic benefits to the NWT.*" The development of such

activities. The legal drafting of the proposed Incidental Forest Use Licence is underway. The potential date for effect under regulations is not known at this time.

an agreement for the Prairie Creek Project is projected. Such an agreement must be concluded prior to project approval.

GNWT objectives of the follow-up program for inclusion in the socio-economic monitoring agreement are to:

- a) Develop indicators, monitor and verify predictions of the project's effects on
 - I. cultural well-being
 - II. community wellness
 - III. social stability(including effects of closure, rotational work and in-migration) and develop alternative mitigation where necessary;
- b) Monitor and verify predictions with respect to economic diversification for opportunities for northern business development (i.e. mine purchases and other goods and services) and develop action plans to accomplish this;
- c) Monitor and verify predictions of proposed project effects on public services and infrastructure (social and physical);
- d) Monitor the proponent's hiring and turnover rates in order to confirm predictions;
- e) Monitor and verify predictions of employment levels at the mine and develop action plans for training;
- f) Monitor changes in employee pursuits in traditional economies due to the transition from traditional to wage economies;
- g) Monitor in-migration of project workers and verify predictions of the proposed project's impact on competition for community land and resources, and also the impact of the project on competition for human resources, and
- h) Monitor and verify the proponent's predictions regarding the cumulative socio-economic effects in the regional study area.

The Environmental Assessment is key to understanding what aspects require inclusion in an SEA for the Prairie Creek Mine Project and the proponent's commitments. Therefore, the specific elements of the SEA are not certain at this time. The proponent's commitment regarding mitigation measures would be identified in the course of the environmental assessment and then captured in the socio-economic agreement follow-up program.