



# Howard's Pass Access Road Upgrade Project Project Description Report June 2015

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Sidena Consulting Ltd. (2014). Selwyn Chihong Mining Ltd. Howard's Pass Access Road Land Use Permit Application: Community Engagement Plan. Prepared for Selwyn Chihong Mining Ltd. by Sidena Consulting, Ltd., Pitt Meadows, BC.

## SELWYN CHIHONG MINING LTD. HOWARD'S PASS ACCESS ROAD LUP APPLICATION

#### **COMMUNITY ENGAGEMENT PLAN**

Prepared for:
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December 2014

#### SELWYN CHIHONG MINING LTD. HOWARD'S PASS ACCESS ROAD LUP APPLICATION

#### **COMMUNITY ENGAGEMENT PLAN**

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#### SELWYN CHIHONG MINING LTD. HOWARD'S PASS ACCESS ROAD LUP APPLICATION

#### COMMUNITY ENGAGEMENT PLAN

#### 1.0 OVERVIEW

Selwyn Chihong Mining Ltd. (SCML) is in the process of permitting and developing the Selwyn Project; a 35,000 tonne per day open pit mine producing zinc and lead concentrates. The Project is located at Howard's Pass in the Selwyn Mountains between the Yukon and Northwest Territories. The mine will be serviced by the Howard's Pass Access Road (HPAR) which will be used to supply the mine and used as a transportation corridor for shipping the concentrates.

The mine facilities will be located in the Yukon Territory close to the border with the NWT. The HPAR transits the NWT, connecting the project to the Nahanni Range Road; a public highway located in the NWT and Yukon.

At present the HPAR is a single lane gravel road roughly three to four meters wide. SCML intends to enter the permitting process to allow widening and reinforcement of the road structure. The road will be widened to eight to nine meters wide and the road subgrade substantially reinforced. This will allow the road to be used safely as a heavy haul road capable of supporting construction of the mine facilities and shipping of mine concentrates.

In order to advance the Project, SCML needs to widen the HPAR ahead of mine construction. The road needs to be widened to support the heavy loads and frequent traffic that will be required to successfully build the mine. Road widening will require Type A Land Use Permits from the Mackenzie Valley Land and Water Board (MVLWB) and Parks Canada.

As a precursor to permit application submissions, SCML will carry out engagement with potentially affected communities. The MVLWB has established guidelines for community engagement (2014). In addition, the company holds agreements with certain potentially affected communities. This document outlines the engagement plan to be implemented by the company that meets the guidance provided by the MVLWB and the requirements of SCML under those agreements.

#### 2.0 POTENTIALLY AFFECTED COMMUNITIES

The Selwyn Project and its related infrastructure (Howard's Pass Access Road) are located within the boundaries of three First Nation Territories; the Kaska Nation, the Dehcho First Nation, and the Sahtu Dene and Metis (Figure 1).

The company and its predecessors have been active in the area since 2005. Through the history of community engagement on the various licence applications and negotiation of community agreements, each First Nation has identified communities within its Nation to lead consultation and engagement with the company based on the communities that would be most affected by the Project development. The Sahtu Dene and Metis identified the communities of Tulita and Norman Wells. The Dehcho identified Nahanni Butte as the lead community. The Kaska identified the communities of Ross River and Liard First Nation. The company has negotiated agreements with each of these communities and continues to engage on a regular basis regarding project plans and operations.

Based on this history and experience, The Community Engagement Plan for the Howard's Pass Access Road LUP Application focuses on engagement specifically with these communities (Tulita, Norman Wells, Nahanni Butte, Ross River, and Liard First Nation). Outreach to the broader Nation level organizations (Sahtu Dene and Metis, Dehcho First Nations, and Kaska Nation) relies primarily on the internal communication protocols between those communities and their respective Nation organizations.

Alaska

Yukon

Norman Wells

Tulita

Northwest
Territories

Faro

Ross River

Watson Lake

Uiper Liard

Lower Post
British Columbia

Figure 1: Selwyn Project and First Nation Territories

#### 3.0 COMMUNITY ENGAGEMENT

#### 3.1 ENGAGEMENT OBJECTIVES

The intent of engagement is to:

- 1. Provide information about the project to potentially affected parties and organizations with jurisdictional interests.
- 2. Provide opportunity for these parties to review the information and provide comment on the project.
- 3. Develop project plans and designs which consider the comments and concerns of potentially affected parties.

#### 3.2 ENGAGEMENT PRINCIPLES

The community engagement methods employed by SCML incorporate the following principles:

- 1. Information provided in language and format that is accessible to community representatives. This requires understanding of the communication methods and formats that work for community members.
- 2. Adequate time and resources made available for community representatives to review and thoroughly understand the material provided.
- 3. Incorporation of community concerns and comments in the project plan.
- 4. Reflection back to community members of the comments and concerns identified and how these have been considered in the project plan.

#### 3.3 TULITA AND NORMAN WELLS

#### 3.3.1 Pre-Engagement

SCML met with Board members of Tulilta Land Corporation, Fort Norman Metis Land Corporation, and the Norman Wells Land Corporation to discuss the company's approach to engagement on the pending Land Use Permit application. The engagement plan laid out below is based on feedback at those meetings. A draft of the engagement plan was circulated to representatives of these groups for comment prior to implementation of the plan.

#### 3.3.2 Organizations and Engagement Methods

Based on conversations with the Land Corporation Boards, the following organizations were identified for in-person meetings:

Tulita Land Corporation

- Fort Norman Metis Land Corporation
- Norman Wells Land Corporation
- Tulita Renewable Resource Council
- Norman Wells Renewable Resource Council

At these meetings the company would provide information about the proposed project and the intended community engagement plan and answer any questions posed by the Board members.

During pre-engagement, the Boards of the Land Corporations also identified a schedule of open house meetings for the communities of Norman Wells and Tulita. SCML will carry out two open house events in Norman Wells; a hosted lunch open to the public and an evening dinner event open to members of the Norman Wells Land Corporation. Advertising can be carried out through notice on the community channel and through email distribution to the Norman Wells Land Corporation membership email distribution list.

One open house for the public will be carried out in Tulita. The event would be held at the community ice arena. The open house would be advertised through posted notice at public spaces throughout the community; the hotel, the store, and at administrative offices of various community organizations. It would be held in the evening and include a hosted dinner. Door prizes should be offered to entice community members to attend. Translators should be invited to ensure that the information provided is accessible to elders and Slavey speakers.

Community open houses would include a brief presentation to the assembled attendees followed by a question and answer session. Posters containing project information would be posted on the walls. Hand-outs of project and company information would be available and door prizes offered to entice attendance. The company will bring several representatives to be available to answer questions.

SCML further identified the following organizations to receive information about the project. Inperson meetings will be held if requested.

- Sahtu Secretariat Incorporated (SSI)
- Sahtu Renewable Resources Board (SRRB)

#### 3.3.3 Follow-up

Based on feedback and questions received during the community engagement, SCML will review the project plans and modify them where possible to address the concerns brought forward by the community participants.

Following community consultation and project plan revisions, SCML will provide a draft of the Land Use Permit Application to the Tulita Land Corporation, the Fort Norman Metis Land Corporation, and the Norman Wells Land Corporation for their review and comment. As required by the Cooperation Agreement between SCML and the Land Corporations, the Land

Corporations will be allowed at least 30 days to review the application prior to submission and provide feedback to SCML.

#### 3.4 NAHANNI BUTTE

#### 3.4.1 Pre-Engagement

SCML met with representatives of the Chief and Council and their advisors and discussed the company's plan for engagement with the community on the HPAR LUP application. The engagement plan laid out below is reflective of the guidance received during that meeting.

#### 3.4.2 Organizations and Engagement Methods

The company will meet with the Naha Dehé (Nahanni Butte) Chief and Council at the Band Office in the community. The company will provide a presentation describing the proposed project and answer questions brought forward by Chief and Council. The company will also transmit draft information to be contained in the LUP Application to an environmental consultant identified by the Chief and Council. This process can begin as soon as the information comes available. The company will also be available to meet with this consultant to discuss the information if requested.

The company will carry out a hosted dinner open house in the community gymnasium for the broader community. Advertising will be managed by the Band administration, involving posted notices at public spaces in the community and word-of-mouth advertising within the community. The event will be held in the evening. Door prizes should be offered to entice community members to attend.

Community open houses would include a brief presentation to the assembled attendees followed by a question and answer session. Posters containing project information would be posted on the walls. Hand-outs of project and company information would be available.

Naha Dehé Chief and Council will represent the interests of the other Dehcho First Nations (DFN) communities in regards to the project. The Chief and Council will secure a letter from DFN confirming this understanding.

#### 3.4.3 Follow-up

Based on feedback and questions received during the community engagement, SCML will review the project plans and modify them where possible to address the concerns brought forward by the community participants.

Following community consultation and project plan revisions, SCML will provide a draft of the Land Use Permit Application to Naha Dehé Chief and Council and their identified environmental consultant. As required by the Cooperation Agreement between SCML and Naha Dehé, Chief and Council will be allowed at least 30 days to review the application prior to submission and provide feedback to SCML.

#### 3.5 ROSS RIVER DENA COUNCIL & LIARD FIRST NATION

SCML is regularly engaged with the communities of Ross River and Liard First Nation in regards to the development of the Selwyn Mine Project and ongoing agreement negotiations. The development of the HPAR is peripheral to these more significant elements of the relationship between the company and the Kaska communities.

SCML will utilize the information and materials (posters, hand-outs, and presentations) developed for engagement with NWT communities to raise awareness of Kaska representatives of the company's ongoing work in the NWT. The information will be presented at community events and in negotiation sessions as a component of the company's ongoing discussions with Kaska about the mine development. Any comments received during these events will be reflected to the team developing the HPAR LUP Application and Kaska will be advised of adjustments/changes to the application which address their concerns and comments.

#### APPENDIX X. COMMUNITY ENGAGEMENT REPORT APPENDICES

Sidena Consulting Ltd. (2015). Selwyn Chihong Mining Ltd. Howard's Pass Access Road Land Use Permit Application: Community Engagement Report (Appendices). Prepared for Selwyn Chihong Mining Ltd. by Sidena Consulting Ltd., Pitt Meadows, BC.

The community engagement report is incorporated into Volume 2, Project Description Report, Section 8.3 Report on Community Engagement for the HPAR Upgrade Project Land Use Application.



# SELWYN CHIHONG MINING LTD. HOWARD'S PASS ACCESS ROAD - LAND USE PERMIT APPLICATION COMMUNITY ENGAGEMENT REPORT APPENDICES

Prepared for: Selwyn Chihong Mining Ltd. #2701 – 1055 W. Georgia St. Vancouver, B.C. V6E 0B6

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#### LIST OF COMMUNITY ENGAGEMENT REPORT APPENDICES

Appendix A – Norman Wells Community Engagement

Appendix B – Tulita Community Engagement

Appendix C – Nahanni Butte Community Engagement

Appendix D – NWT Open House Posters

Appendix E – Kaska Communities Engagement

Appendix F – Letters of Notice

#### APPENDIX A - Norman Wells Community Engagement

Format: Board meeting

Organization/Community: Norman Wells Land Corporation

Date & Time: February 04, 2015 6:30 PM

Location: Norman Wells Land Corporation offices, Norman Wells

Attendees:

NWLC - Sherry Hodgson, Amanda Mulyh, Bruce Lebeau, Paul Tan

SCML – Doug Reeve, Justin Himmelright

Materials provided: Hand size versions of the display posters for the open houses, a complete set of road design plans, presentation by company representative on the materials provided.

Questions and Comments	Company Response		
Gravel borrow areas will require separate permits?	Yes. The quarry sources and volumes will be identified in the applications and separate permits will be acquired for quarries.		
Training for Norman Wells residents is required.	The Co-operation Agreement between the Land Corps in the Tulita District and the Company contains provisions to support training. The company is interested in pursuing training opportunities.		
What kind of employment have the residents of Norman Wells gotten from the project so far?	The information the Company has does not specifically identify Norman Wells residents. However the Company does maintain information about employment from the Tulita District and estimates that roughly 800 persondays of employment for Tulita District residents has come from work on the road so far.		
Do we have a copy of the completed road design?	Yes, a full copy is provided in hard copy at this meeting.		
What is happening with the hiring of the Community Relations Officer?	The Company has tried to move ahead on hiring this person several times over the past years. It has been difficult to recruit such a person. The Company is currently discussing options with the Project Committee and will likely let a contract in the near future. This seems more likely to be successful in the short term than hiring an employee.		

Questions and Comments	Company Response		
Is there a "deathpill" to the timeline; ie no	No, not really. The Company has a timeline		
permits beyond a certain point and the project	that they are working to which will see the		
will go away?	overall project in production by 2021.		
What is the timing of road construction?	That depends on the permitting process. The Company is currently anticipating the permitting and EA process will take two years. Construction would start in 2017.		
What about traditional knowledge work?	There is existing traditional knowledge research for the area that was developed as part of the original permit submissions back in 2006. The Company will rely on this information. If additional TK is required, that would likely be identified in the terms of reference set by the MVEIRB during an environmental assessment.		
What happens when the project is shut down?	The complete shutdown of the project would only occur under very unusual circumstances. Under such circumstances the road would likely be closed based on terms and conditions established by GNWT and Parks Canada. More likely the project would be placed on "care and maintenance" in which case the Company would continue to maintain it to the standard required to prevent environmental damage.		
Can we get a tour of the site?	Yes. The Company will be organizing these tours for later in the summer.		

Signature of Norman Wells Land Corp.	representative	confirming	accuracy o	f the engageme	ent
record.					

Sherry Hodgson, President

Format: Board meeting

Organization/Community: Norman Wells Renewable Resources Council

Date & Time: February 25, 2015. 7:00 PM

Location: Norman Wells Land Corporation offices, Norman Wells

Attendees:

NWRRC - Ruby McDonald, Jerrod McDonald, Bruce Lebeau, Rhea McDonald, Edward Lebeau

SCML – Sam Wallingham, Doug Reeve, Justin Himmelright

Materials provided: Hand size versions of the display posters for the open houses, presentation by company representative on the materials provided.

Questions and Comments	Company Response		
What is PAR certification?	"Progressive Aboriginal Relations", it is a		
	certification the Company is pursuing similar to		
	ISO.		
The Company does not have any offices in the	No, it is based in Vancouver. However there		
NWT?	are provisions in the Co-operation Agreement		
	to establish a hiring office in Tulita once the		
	mining project is in production.		
What tasks would a Community Relations	Things such as coordinating company		
Officer do?	activities in the community (consultations,		
	training projects, youth involvement),		
	organizing community members for tours of		
	the site, recruiting employees, ensuring		
	contract opportunities are properly advertised,		
	etc. There is a job description that is under		
	review by the Project Committee.		
For the permits you have in place already, are	No. The existing Land Use Permits have		
you seeking extensions?	already been extended to their maximum life.		
	They will expire this summer.		
Do you have an MOU with Parks Canada?	Not yet. The Company has been developing		
	one in conjunction with Parks. The draft is		
	currently under review by the co-management		
	committees governing Nahanni and		
	Naats'ihch'oh Parks.		

Questions and Comments	Company Response
What is meant by "grandfathering"?	Grandfathered permits are permits and projects that took place before the enactment of the Mackenzie Valley Resource Management Act. Such projects are not required to undergo environmental assessment. The current use and design of the HPAR is grandfathered. The expanded use is likely not grandfathered and may require environmental assessment.
How much of the road is in Naats'ihch'oh?	About 28 km in total.
How many quarries will be in the Park or in the Tulita District?	The road will probably require about 12 quarries in total; roughly half of those would be in the Tulita District. We are estimating 5 or 6 quarries in the District and near or in the Park.
Are the quarries addressed in the MOU with Parks?	No the MOU is not that kind of document. The MOU really focusses on "How we work together". So it will establish the method of how the Company and Parks work together in establishing and managing the quarries.
What kind of bridges do you have on the road?	The bridges are single lane "L100" highway bridges. They can handle regular loads of 100 tonnes and can be overloaded to 160 tonnes. They are concrete and steel construction.
For the lead concentrate in the supersacks, what happens if one gets a tear?	The concentrate would be released to the environment and create a "point source" spill. The concentrate can be cleaned up. The Spill Response Plan would anticipate such an event and provide a protocol for managing it.
Can the supersacks be put in secondary	Yes, secondary containment can be used if it
containment such as a seacan?	is found to be necessary.
The Co-operation Agreement with the Land Corps similar to the MOU with Parks?	No, they are very different. The Co-operation Agreement is a contract requiring the parties to carry out certain obligations. The MOU is a protocol agreement, establishing communications modes and partnership principles.
What is meant by "training and employment" in the poster referring to Community engagement?	The Co-operation Agreement establishes terms for the Land Corps and the Company to work together in training people locally for the jobs that will be created by the project. It also establishes priority hiring for local people.

#### SELWYN CHIHONG MINING LTD. – HPAR LUP COMMUNITY ENGAGEMENT REPORT

Questions and Comments	Company Response		
When the Tulita RRC wildlife monitors were on	They did get on-the-job training working with		
the job site, did they get any specific training?	the environmental monitors learning about		
	water monitoring and construction		
	management practices.		
Norman Wells does not often get opportunities	The Co-operation Agreement is implemented		
on these projects. Tulita is the focus or many	by a joint management Committee. The		
companies.	representative of the NWLC can bring this		
	issue forward.		
What will you be doing for dust suppression?	Dust would not be a frequent issue at this		
	location, it is usually wet or covered in snow.		
	However, the Road Operations Management		
	Plan will address the contingency plan in the		
	event that dust becomes an operational or		
	environmental hazard at certain times during		
	operations.		

Signature of Norman Wells Renewable Resource Council representative confirming accuracy on the engagement record.
Ruby McDonald

Format: Open House

Organization/Community: Norman Wells residents

Date & Time: February 05, 2015, 12:00 PM

Location: Legion Hall, Norman Wells Attendees: 15 residents of Norman Wells

SCML: Doug Reeve, Sam Wallingham, Justin Himmelright

Materials provided: Display posters for the open houses, a complete set of road design plans, presentation by company representative on the materials provided, comment cards circulated for attendees

Questions and Comments	Company Response		
Will there be mining activity in the NWT from	Not in the current plan. There is future		
this project?	potential however. Mineral resources exist on		
	the Company's claims and leases in the NWT		
	and could be considered in future mine plans		
	after more study.		
Have you been doing wildlife surveys? What	The Company has conducted Wildlife surveys		
are the trends observed?	of the area twice a year since 2006. The		
	company reps in the room did not have		
	specific knowledge of the trends observed in		
	this time.		
	Follow up: The most recent wildlife reports		
	were forwarded to the individual who asked		
	this question along with some explanation of		
	the trends observed.		
What is the size of the workforce expected to	The construction phase will result in about		
be?	1500 person years of employment. There will		
	be about 750 jobs created at the mine		
	operations and between 300 to 350 jobs for		
	the concentrate trucking.		
Is there any upcoming work?	We expect the coming field season to be		
	quieter than last year but we will be hiring a		
	few people from the communities to assist in		
	road maintenance work during the summer.		
What is the overall schedule?	We will be working on permitting for the next		
	couple of years. Road construction should		
	start in 2017, mine construction in 2019, and		
	mine production in 2021.		

#### SELWYN CHIHONG MINING LTD. – HPAR LUP COMMUNITY ENGAGEMENT REPORT

Where will the employees come from?	Co-operation agreements with local			
	communities establish requirements for the			
	company to hire local qualified workers first.			
	In addition, the Company will seek to hire			
	northern residents (NWT and Yukon) before			
	expanding their search. However, the			
	workforce requirements are likely to be more			
	than the northern communities can provide			
	and workers will likely be needed from other			
	places in Canada and abroad.			
Is this Project owned by China?	It is owned by a company that is partially			
	owned by state government in China.			
	portion of the ownership is public; it is traded			
	on the Shanghai stock exchange.			
Comment card: Will you require expediting?	Yes, various stages of the project will require			
	logistics support at different levels.			

Signature of SCN	IL representative confi	confirming accuracy of the engagement record			
Doug Reeve		_			

Format: Open House

Organization/Community: Norman Wells Land Corporation members

Date & Time: February 05, 2015. 6:00 – 8:00 PM

Location: Legion Hall, Norman Wells

Attendees: 9 Norman Wells Land Corp. members

SCML: Doug Reeve, Sam Wallingham, Justin Himmelright

Materials provided: Hand size versions of the display posters for the open houses, a complete set of road design plans, presentation by company representative on the materials provided, comment cards provided to attendees.

Questions and Comments	Company Response
This is a foreign owned operation?	Yes, the project is owned by the Canadian
	subsidiary of a Chinese mining and smelting
	company.
Is concentrate hauling a community	It can be. There will be great demand for
opportunity?	truckers so it can be an opportunity for
	employment and contracting. The Co-
	operation Agreement with the company does
	provide preference for community members
	and businesses to access those opportunities.
Do you need a permit from government of	We are focused on the land use permits for
Canada for industrial hauling?	road widening at this time. Licensing from
	Transport Canada will come at a later phase
	and will likely be the responsibility of the
	contracted haulers.
Will the road widening need to go through	That is not assured. A large number of
environmental assessment?	entities can call it up for EA since there are
	many parties with interests in the area of the
	road. The Company has built time into the
	project schedule to accommodate an
	environmental assessment of the proposal.
How many quarries will there be in the Tulita	Estimated 5 or 6; there are roughly 12 in total
District?	along the road and half of them would likely be
	in the Tulita District.
What size of workforce will the operation	The construction phase will result in about
have?	1500 person years of employment. There will
	be about 750 jobs created at the mine
	operations and between 300 to 350 jobs for
	the concentrate trucking.

Questions and Comments	Company Response
How many employees will come from here?	That is difficult to predict. However The Co- operation Agreement establishes a priority for hiring Tulita and Norman Wells residents.
How many people from here worked at the project during the most recent work on the road?	The information the Company has does not specifically identify Norman Wells residents. However the Company does maintain information about employment from the Tulita District and estimates that roughly 800 persondays of employment for Tulita District residents has come from work on the road so far.
During road construction, do the businesses and residents of the Norman Wells and Tulita have priority access to opportunities?	Yes, for a certain portion of the access road that is within the Tulita District. This is provided for in the Co-operation Agreement
How does environmental assessment work within the Parks? Will there be a higher standard within the Parks?	Parks will follow the Mackenzie Valley system and participate in an EA carried out by the MVEIRB.
What are you doing about dust suppression?	Dust would not be a frequent issue at this location, it is usually wet or covered in snow. However, the Road Operations Management Plan will address the contingency plan in the event that dust becomes an operational or environmental hazard at certain times during operations.
Where do royalties from the quarries go?	Those royalties would go to the Government of Canada and be circulated back (in part) to the GNWT as a result of the Devolution Agreement.
Are we able to get a tour of the road?	Yes. The company will be organizing tours for community reps this summer.
Comment card: What benefits to our communities from this project?	Economic – jobs, contracts, training etc.
Comment card: I would like more information about quarries, jobs and opportunities, and a tour of the site.	Quarry information will be provided in the permit application. Jobs and opportunities will be advertised in the communities. Site tours for community reps are being organized for this summer.
Comment card: You should meet with the Renewable Resource Councils more.	The RRC's in Norman Wells and Tulita are included in the consultation the Company is doing.

Questions and Comments	Company Response
Comment card: Ensure that the Sahtu Region	The Company will work through the
is informed in a timely manner on all contracts	requirements of the Co-operation Agreement
and work, especially environmental	with the Tulita District on all contracts and job
monitoring.	opportunities.
Comment card: Please care for the land and	The Company will maintain the high standards
make sure you put things back in place.	for environmental care and apply best
	practices in their operations. Management
	plans will be developed in conjunction with
	regulators to ensure that operations are
	conducted in an environmentally sound
	manner.
How and when do requests for tenders start to	Any requests will start to show up in the spring
come into play?	(April, May, June) once Company budgets and
	workplans have been defined for the year.
What community in the Sahtu will see the	Economic benefits are likely greatest for Tulita
biggest economic impact?	District Communities (Tulita, Norman Wells).
	The road is in the Tulita District and the
	communities there have a priority for hiring
	and contracts.

Signature of SCML representative confir	ming accuracy of the engagement record.
Doug Reeve	

#### APPENDIX B - Tulita Community Engagement

Format: Board meeting

Organization/Community: Tulita Land Corporation

Date & Time: February 17, 2015, 9:30 AM Location: Tulita Land Corporation offices, Tulita

Attendees:

TLC - Clarence Campbell, Edward McCauley, Lorraine Doctor, Jimmy Mendo, Andrew Oler,

Judith Wright-Bird, Rosalee

SCML – Doug Reeve, Justin Himmelright

Materials provided: Hand size versions of the display posters for the open houses, a complete set of road design plans, power point presentation by company representative on the materials provided.

Questions and Comments	Company Response
Are the concentrates shipped in bags?	Lead concentrates will be shipped in sealed
	bags called "supersacks".
Will the company own the trucks used in to	Not likely. The company will own the
ship concentrate?	maintenance facilities and probably the
	shipping containers/trailers. Tractors will likely
	be contracted out. This allows the flexibility to
	swap out contractors/drivers that do not
	perform without interruption to maintenance
	services, trailer availability etc. Awarding
	multiple contracts allows smaller local
	operators to get involved.
How long will the environmental assessment	The Company has estimated the timeline for
take?	full permitting to take 2 years including the EA
Are there other expertuaities headen trucking	phase.
Are there other opportunities besides trucking and road work?	Yes, the project will generate a lot of opportunities. In terms of access for Tulita,
and road work?	hiring preference will be mainly found in
	trucking and road work since the spatial area
	covered by the Co-operation Agreement only
	covers the access road. However,
	opportunities exist to partner with other First
	Nations and communities (Nahanni Butte,
	Kaska) in accessing mine site opportunities as
	well.

Questions and Comments	Company Response
What road contracts will there be this year?	The program will be smaller than last year.
	Probably around 10 workers for maybe 6
	weeks to 2 months.
What is the nature of the agreements the	The Company is working with other mining
company has on LNG supply?	companies in the Yukon and the Yukon
	Government to secure a local LNG supply for
	the North. Together they are looking at a
	supply point (plant) somewhere near Ft.
	Nelson.
Does zinc price have an impact on the	Yes it does. Zinc and lead prices fluctuate
project?	with world markets. Low prices will make the
	operation less profitable or not profitable.
Where will the smelting take place?	Most likely in China at the Chihong smelters in
	Yunnan Province.
How is Parks Canada impacting the Project?	The road exists in two National Parks;
	Nahanni and Naats'ihch'oh. Parks Canada is
	a regulator (provides permits) and a
	participant in any Environmental Assessment.
	SCML has a good working relationship with
	Parks.

Signature of Tulita Land Corp. represent	tative confirming accuracy of the engagement record.
Clarence Campbell, President	

#### SELWYN CHIHONG MINING LTD. – HPAR LUP COMMUNITY ENGAGEMENT REPORT

Format: Board meeting Organization/Community: Tulita Renewable Resources Council Date & Time: Location: Tulita Attendees:
Materials provided: Hand size versions of the display posters for the open houses, discussion with company representative on the materials provided.
The Tulita Renewable Resource Council declined the opportunity to be consulted. They requested copies of the information and notice of any future opportunities for wildlife monitors on the Project.
Doug Reeve hand delivered copies of the posters to the TRRC office in Tulita and provided a brief explanation of their contents to the Office Manager
Signature of Tulita Renewable Resource Council representative confirming accuracy of the engagement record.
Beatrice Solapree

Format: Board meeting

Organization/Community: Fort Norman Metis Land Corporation

Date & Time: February 17, 2015. 1:30 PM

Location: Fort Norman Metis Land Corporation offices, Tulita

Attendees:

FNMLC - Eddy McPherson, Lorianne Lennie, Kimberly McPherson, Mariam,

Materials provided: Hand size versions of the display posters for the open houses, a complete set of road design plans, power point presentation by company representative on the materials provided.

Questions and Comments	Company Response
How do we contact the other communities and	The Company supports collaboration between
First Nations involved in this project (Kaska,	the communities surrounding the project. This
Dehcho)?	topic is under discussion at the Project
	Committee. Project committee minutes will be
	circulated to the Land Corps so they can track
	this issue and discuss with their
	representatives to the Project Committee.
Concerned about "10%" companies from out	At present the Company is using the Tulita
of the region competing for the work. What	District Business Registry to identify qualified
criteria do we have to prevent them from	local contractors. The Project Committee has
competing with the locally owned contractors?	the mandate to develop qualification criteria
	for businesses. The Committee is working on
	defining qualification criteria to put forward to
	the Parties to the Cooperation Agreement for
	approval. This activity will be noted in Project
	Committee meeting minutes as well.
Do you have everything you need to go	The company has been working on collecting
forward to Environmental Assessment?	environmental baseline from the area for
	several years. Road designs are completed to
	a feasibility level. Management plans are
	under development. The Company expects
	that it has most or all of the information
	required to move forward.
Do you have Wildlife Monitors on the site from TRRC?	During periods of activity, yes we do.

Signature of Norman Wells Land Corp. representative confirming accuracy of the engagement record.

Eddy McPherson, President

Format: Open House

Organization/Community: Tulita residents

Date & Time: February 17, 2015. 6:00 PM - 8:00 PM

Location: Community Ice Arena, Tulita Attendees: 30 residents of Tulita

SCML – Doug Reeve, Justin Himmelright

Materials provided: Display posters for the open houses, a complete set of road design plans, power point presentation by company representative on the materials provided.

Questions and Comments	Company Response
Why are you using a 9 m with for the road? Is	The design standards for the road are
that wide enough?	established by the consulting engineering firm
	and are based on standard design criteria for
	roads of this type.
You are looking to permit only the 80 km in the	Yes that's right. The remaining parts of the
NWT right? Not the entire 1000 km haul	Haul road are on public highways under the
route?	jurisdiction of either the Yukon or BC.
What is the length of the road inside	Roughly 28 km.
Naats'ihch'oh Park?	
Why didn't we look at building the road in the	The access to the mine site has undergone a
Yukon?	rigorous analysis of options beginning in 2006.
	Two new road options in the Yukon as well as
	concentrate pipelines have been examined.
	Community consultation on the subject was
	completed in both the Yukon and the NWT
	some time ago. The overall outcome of this
	process has been a decision based on
	community input, environmental consequence,
	and economic factors. Overall, widening an
	existing road route (rather than build a whole
	new road in virgin territory) was considered to
	the most acceptable on all fronts.
What do you want from the community?	The Company is providing information and
	seeking input from the community on the road
	widening project. Any concerns or question
	that people may have can be brought forward
	now or through the permitting process. There
	will be more opportunities for community input
	through the regulatory process which is
	expected to take a couple of years.

Questions and Comments	Company Response
Comment Card: Would like to know more about employment opportunities.	The company is working on hiring a Community Relations Officer for Tulita and Norman Wells. Part of the job duties of the CRO will be to advertise and recruit workers. Until that person is in place, the Project Committee representatives or the Company are the best people to get this information from.
Comment Card: Community members have to train for jobs.	The Cooperation Agreement establishes collaboration between the Land Corps and the Company in carrying out training programs. The Project Committee is looking at training needs and funding sources.
Comment Card: How is the Project going to affect out caribou and moose in the area?	The Company has carried out baseline studies of the populations in the area and is developing management plans for the operations that will minimize disruption to moose and caribou populations. Throughout the operating period, the Company expects to continue to monitor wildlife and implement an "adaptive management" approach to its operations on the road.
Comment Card: Would like to know more about specific contract opportunities.	The company is working on hiring a Community Relations Officer for Tulita and Norman Wells. Part of the job duties of the CRO will be to advertise contract opportunities. Until that person is in place, the Project Committee representatives or the Company are the best people to get this information from.
Comment Card: How will the access road affect the Park?	The access road will have a relatively small footprint relative to the size of the Park. It will provide the only land access route into the Park. The Park will probably get more visitors as a result of the road access.
Comment Card: Would like to know more about career opportunities for community members.	The Company expects to work with the Project Committee and CRO in providing information to the communities about careers in mining. School visits, site tours, and workshops in the communities can be expected in the future.

Questions and Comments	Company Response
Comment Card: Would like to know more	The construction phase will result in about
about how many jobs the project will create.	1500 person years of employment. There will
	be about 750 jobs created at the mine
	operations and between 300 to 350 jobs for
	the concentrate trucking.
Comment Card: Would like to know more	The mining operation itself will be located in
about where you guys will be mining.	the Yukon just across the border from the
	NWT. The location is roughly 100km
	northwest of Cantung and roughly 100km
	southeast of where the Canol Road crosses
	the Yukon/NWT border.
Comment Card: Would like to know more	At present Selwyn Chihong has no other
about future projects in Canada.	Projects in Canada or any plans to acquire or
	develop other Projects.
Comment Card: Would like to know more	The road will be gravel. There is no plan for
about what will be put on the road to make it	surfacing the road with any other type of
smooth. Just rocks?	material.

Signature of SCML representative	e confirming accuracy of the engagement record.
Doug Reeve	

#### APPENDIX C – Nahanni Butte Community Engagement

Format: Chief & Council meeting

Organization/Community: Naha Dehé Dene Band

Date & Time: February 25, 2015. 3:00 PM

Location: Community gymnasium, Nahanni Butte

Attendees:

NDDB - Peter Marcellias, Archie Betsaka, Jayne Konisenta, Lorainne Vital, John Lafferty, Flora

Sele, Morris Matou

SCML - Doug Reeve, Sam Wallingham, Justin Himmelright

Materials provided: Display posters for the open houses, a complete set of road design plans, power point presentation by company representative on the materials provided.

Questions and Comments	Company Response
How much of the road is actually in the	Roughly 35km.
Dehcho?	
Are there extra permit requirements because	Yes. In addition to the Land Use Permit and
of the Parks?	Quarry Permits from the GNWT, we will need
	to get Land Use Permits, Restricted Activity
	Permits and Quarry Permits from Parks
	Canada
Would employees require WHMIS and First	WHMIS and First Aid are good to get along
Aid? This training can be a barrier since it is	with TDG certification. WHMIS and TDG can
difficult to get this stuff in Nahanni Butte.	be done online.
Drivers' licenses are also a barrier.	
Will there be opportunities for tours this	Yes, we are planning on doing community
summer?	tours. We will work with community reps to
	organize a time.

Signature	of	Naha	Dehé	Dene	Band	representative	confirming	accuracy	of the	e engage	ment
record.											

Jayne Konisenta,	Councilor

Format: Community Open House

Organization/Community: Nahanni Butte

Date & Time: February 25, 2015. 6:00-8:00PM Location: Community gymnasium, Nahanni Butte

Attendees: 51 residents of Nahanni Butte

SCML – Doug Reeve, Sam Wallingham, Justin Himmelright

Materials provided: Display posters for the open houses, a complete set of road design plans, power point presentation by company representative on the materials provided.

Questions and Comments	Company Response
What are you doing to prevent contamination of the environment from the Lead concentrates?	Lead concentrates will be placed in sealed "supersacks" for transport. This will prevent concentrate dust from escaping the load during transport. Spill response plans will consider the possibility of a spill of lead concentrate and action plans developed to respond and clean up. Ongoing environmental monitoring along the road will identify if any lead is escaping to the environment during shipping and adaptive management applied to identify sources and implement corrective measures.
Comment Card: Would like to know more about how things are going within the camp.	Tours of the project site in the summer will give community members an opportunity to visit the camp and experience the working conditions there.
Comment Card: If an accident or spill occurs, what is the response time?	Along the Howard's Pass Access Road, response times will depend on the location and road conditions at the time of accident. The entire road will be driveable in about one hour so it is reasonable to assume that under good conditions, response to an accident will be less than an hour.
Comment Card: Would like to know more about wildlife sightings.	During periods of activity the company records wildlife sightings. The company has also completed wildlife surveys in the area since 2006. This information will be outlined in the permit applications for the road widening.

Questions and Comments	Company Response		
Comment card: Would like to know more	Through the Co-operation Agreement between		
about training an employment opportunity	the Company and Community, there is priority		
	established to hire people from Nahanni Butte.		
	Collaboration on training is also a component		
	of the agreement. The community is working		
	on nominating a representative from the		
	community to assist in implementing the		
	Agreement. Part of this person's role will be to		
	advertise employment and training		
	opportunities.		
Comment card: Would like to know more	Road traffic is estimated to be about 200		
about the amount of traffic on the road.	heavy truck loads a day on the road. This will		
	include concentrate shipments, liquefied		
	natural gas, parts, equipment, supplies etc.		
Comment card: Would like to know more	During operations if there are enough workers		
about transportation to and from the work	rotating in and out of Nahanni Butte to justify		
area.	it, charter flights will be used to move workers		
	to and from Nahanni Butte to the work area.		

Signature of SCML representative	confirming accuracy of the engagement record.
Doug Reeve	





### **COMPANY INFORMATION**



#### Yunnan Chihong Zinc and Germanium Ltd.

- Engaged in mining, processing & sale of lead, zinc, germanium & silver products.
- Company has ~12,000 employees with market capitalization ~3.8 billion C\$.
- ❖ Yunnan Chihong was established in July 2000 & listed on Shanghai Stock Exchange.
- Owned by Yunnan Metallurgical Group Co. Ltd., Yunnan Provincial Government of China.



#### **Chihong Canada Ltd.**

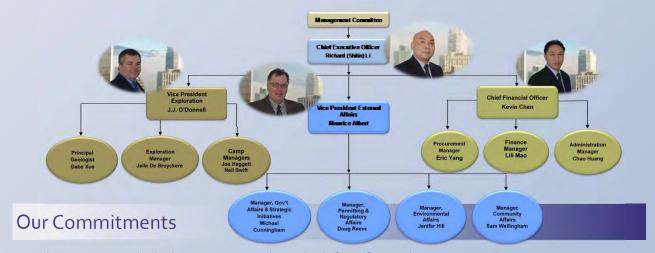
❖ Vancouver B.C. subsidiary of Yunnan Chihong Zinc & Germanium Ltd.



#### Selwyn Chihong Mining Ltd.

Operating company based in Vancouver B.C., owned 100% by Chihong Canada Mining Ltd; with the purpose of bringing the Selwyn Project into production.

### **MANAGEMENT TEAM**



- Maintaining the highest international standards for safety and environmental protection.
- Zero tolerance for alcohol, drugs, and discrimination.
- Being fair and transparent in hiring, purchasing, and maximizing local business opportunities.
- Richard (Shilin) Li, CEO





## **SELWYN PROJECT**







Planned open pit mine



- ~ 0.9 million tonnes of zinc concentrate/yr
- ~ 0.2 million tonnes of lead concentrate/yr

- ❖ 35,000 tonnes per day milling
- Conventional flotation process
- Producing zinc and lead concentrates







Truck haul to tidewater port

❖ Hauling ~1000 km (one way) to the port of Stewart, B.C.

#### **Projected Schedule**

- Access Road Permitting (NWT): 2015-2017
- Access Road Construction: 2017-2019
- Mine Permitting (Yukon): 2016-2019

## **Projected Cost**

- ❖ Capital cost: ~ \$ 2 Billion
- Operating cost: ~ \$950 Million per year
- Mine Construction: 2019-2021; 1500 person-years of employment
- Operations: 2021-2032+; 750 jobs

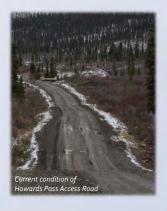


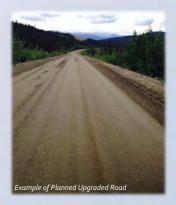
## **HOWARD'S PASS ACCESS ROAD**

The Howard's Pass Access Road is 80 km long and passes through:

- Deh Cho Territory
- Sahtu Settlement Area
- ❖ Nahanni National Park Reserve
- Naats'ihch'oh National Park Reserve







The Howard's Pass Access Road will need to be widened and reinforced for:

- Continued advanced exploration
- Mine construction
- Hauling zinc and lead concentrates from the mine

Initial Project Schedule

 2015
 2016
 2017
 2018
 2019
 2020
 2021
 2022
 2023+

 Road Permitting
 Road Construction
 Mine construction
 Mine production

- Widened road will follow existing route.
- Alignment and grade adjusted for safety.
- Gravel for road construction will come from local sources.
- Existing bridges will be used; no new stream crossings are required.

Example of typical mine road







## **ROAD HAULING OPERATIONS**



- Lead concentrate will be hauled in sealed containment using "super sacks".
- Approximately 15 loads per day will be shipped from the site.

- Zinc will be hauled in side dumping trucks with 51 tonne load capacity.
- Approximately 55 loads per day will be shipped from the site.







- The mine will be powered by liquefied natural gas generators.
- Up to 15 loads of LNG will be trucked to the site per day.
- Other loads to the site will include heavy equipment & parts, diesel fuel, mill supplies, food, etc.





Approximately 200 loaded and empty trucks per day.





## PERMITS FOR ROAD WIDENING

Widening of the Howard's Pass Access Road will require a number of permits from various regulatory agencies. These include:

**Environmental Assessment** – Permit applications are anticipated to undergo an environmental assessment by the Mackenzie Valley Environmental Impact Review Board.

Type A Land Use Permits – required for vegetation clearing and earth moving with heavy equipment. Permits will be required from Government of the Northwest Territories (non-Park lands) and Parks Canada (Nahanni National Park & Naats'ihch'oh National Park).









Quarry Permits — required for developing and operating gravel borrow areas along the access road. Permits will be required from Government of the Northwest Territories (non-Park lands) and Parks Canada (Nahanni National Park & Naats'ihch'oh National Park).

**National Park Restricted Activity Permits** – required for operations within Nahanni National Park and Naats'ihch'oh National Park.

**Licence of Occupation** – required to assure long-term access and use of the Howard's Pass Access Road by Selwyn Chihong (30 years).

### 



## **COMMUNITY ENGAGEMENT**

Selwyn Chihong is committed to engaging local communities on the Selwyn Project. The company has signed agreements with communities that outline our commitments to:

- Consultation on permit applications
- Training and employment
- Scholarships, education, and youth engagement
- Business opportunities and contracting
- Environmental management and monitoring
- Culture and traditional knowledge











Selwyn Chihong believes in building strong relationships with communities through open communication. We welcome your comments, questions and suggestions at any time. You can reach us at:

www.selwynchihong.com info@chihongmining.com

Doug Reeve: 604-620-6188 ext. 805





## **WORKING TOGETHER**

Local communities have been involved at every step of the Howard's Pass Access Road redevelopment work. Here is a summary of the history of community engagement on the permitting and work on the road:

2006 – 2007 : Open houses and public hearings on the Howard's Pass Access Road permits. The company hosted local meetings and events.









2007-2010: Negotiation and signing of Cooperation Agreement.

2010-2011: Company hosts tours of site for community members.









2010-2011: Road used as winter access to mobilize heavy equipment. Local contractor used for mobilization. Community wildlife monitors on site throughout.

2014: Road reopened for all season use. Communities joint-ventured with contracting companies to do the work. Community wildlife monitors on site throughout.





To date it is estimated that over 800 person days of employment have been created for community members on the Howard's Pass Access Road. Local contractors and Joint Venture companies have been awarded more than \$12 million in contracts for work on the road.





## **ENVIRONMENTAL MANAGEMENT**

Selwyn Chihong is preparing a *Road Operations Management Plan* with guidance from community groups and Parks Canada. This plan will guide:



**Public Access** 



**Road Construction** 



**Road Operations** 



**Road Maintenance** 



Wildlife Interactions



**Stream Crossings** 



**Accidents and Spills** 



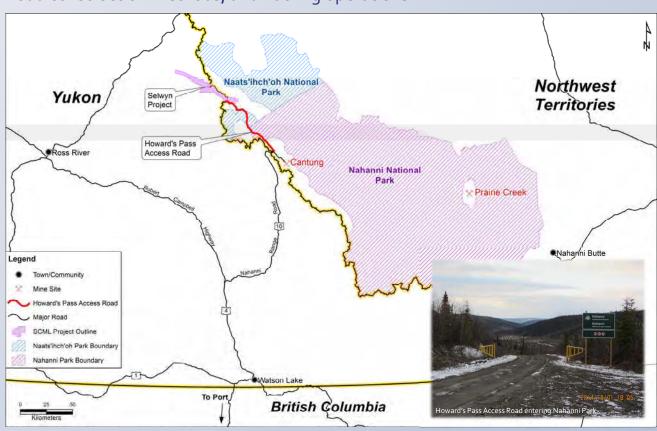
**Road Reclamation** 





## **NATIONAL PARKS**

The Howard's Pass Access Road was originally built in 1978-79 in partnership with the Government of Canada as a mine access road. After the road was built, two national parks were created. The road now passes through Nahanni National Park and Naats'ihch'oh National Park. Selwyn Chihong and Parks Canada will have a Memorandum of Understanding to work together on environmental management, road construction methods, and hauling operations.











## APPENDIX E – Kaska Communities Engagement

Format: Open House

Organization/Community: Liard First Nation (Watson Lake)

Date and Time: February 11, 2015

Location: Watson Lake

Attendees: 95 community members including representatives from Chief and Council

SCML: Jenifer Hill, Maurice Albert, Sam Wallingham, Rose Schwarze, Bruce Rustad, Harvey

McLeod, and Jennifer Sites; LFN negotiator: Alan Edzerza

Materials provided: Display posters, PowerPoint presentation

Questions and Comments	Company Response
How many trucks will be on the road in a	There would be approximately 200 trucks per
day?	day on the road which would include mine
	supply and concentrate haul. This number
	includes all loaded and unloaded traffic.
	There will be fewer trucks during the
	construction of the mine.
There is concern around the health and	SCML recognized the communities concern
safety of the community with so many trucks	for increased potential accidents on the roads
being driven on the roads in and around the	between the community members, trucks and
community.	wildlife and explained that they are looking for
	the best possible solution to ensure safety on
	the roads, by looking at alternate routes,
	ensuring SCML has in place safe driving
	policies and equipment.
Hunting and wildlife access management	SCML would be implementing access
plans and hunting policies on the lands	management plans and hunting policies for
surrounding the proposed project.	areas around the mine.
When is the project scheduled to start and	Although the mine will not start until
when should the community expect the traffic	approximately 2022 construction will start 2 to
to start?	3 years prior to that and this will have trucks
	on the road to supply construction supplies
	and equipment.

Questions and Comments	Company Response
Concern not only for the people on the roads	SCML will take measures to minimize
but the disturbance of the wildlife as there is	disturbance to wildlife in the area and will
migration paths of the moose and caribou	implement an effects monitoring program in
along the highways.	collaboration with communities, Parks
	Canada and the NWT government.
Would like to see a Wildlife Management	SCML clarified that there is a Wildlife
Plan in place.	Management Plan in place for the current
	exploration at the project site that was
	updated with input from the Kaska IMA
	implementation committee. The wildlife
	management plan will be expanded upon to
	manage wildlife effects on the access road.
The Campbell Highway cannot be used by	Acknowledged that this is a concern and a
our community due to the ongoing road work	traffic management plan will be developed
and construction caused by the big trucks	with the community.
coming and going.	
Environmental, and traffic on highway. There	Acknowledged and SCML will work to
should be traffic control on highway which	minimize truck traffic going through Watson
was very bad with Yukon Zinc.	Lake and develop a traffic management plan.
What about the bridge at second Frances	Acknowledged that this is a concern and a
river? As we can't go out to our traditional	traffic management plan will be developed
area camping.	with the community.

Signature of SCML representative cor	nfirming accuracy of the engagement record.
Jenifer Hill	

Format: Open House

Organization/Community: Ross River Date and Time: February 10, 2015 Location: Good Hope Centre, Ross River

Attendees: 85 community members including representatives of Chief and Council

SCML: Jenifer Hill, Maurice Albert, Piers MacDonald, Sam Wallingham, Nora Ladue, Sandra

Bob, Bruce Rustad, Harvey McLeod, and Jennifer Sites

LFN negotiator: Alan Edzerza RRDC negotiator: Gerry Kerr

Materials provided: Display posters, PowerPoint presentation

Questions and Comments	Company Response
Wildlife use the salted road as a salt lick.	Salt will not be used on the roads maintained
This needs to be avoided.	by SMCL.
Road use and access needs to be managed	SCML will be developing an access
to protect the caribou herds.	management plan with Parks Canada.
How will the project affect wildlife, fish, and	SCML provided an example picture of what
environment after closure 10 to 20 years	the reclamation would look like on site.
later.	
Contingency planning if the mine changes	SCML explained there will be in place a
hands to ensure proper closure and	reclamation bond as required by law and this
reclamation of the lands.	will ensure that the reclamation work is
	completed regardless of ownership

Signature of SCML representative confirming accuracy of the engagement record.
Jenifer Hill

## APPENDIX F – Letters of Notice



#2701 – 1055 W Georgia Street Vancouver, British Columbia Canada V6E 0B6

> Telephone: (604)620-6188 Fax: (604) 681-8344

Board of Directors Sahtu Secretariat Incorporated PO Box 155 Deline, NT X0E 0G0

March 4, 2015

Dear Board members;

# Re: Selwyn Chihong Mining Ltd. – Howard's Pass Access Road Land Use Permit Application

Selwyn Chihong Mining Ltd. (SCML) is in the process of permitting and developing the Selwyn Project; a 35,000 tonne per day open pit mine producing zinc and lead concentrates. The Project is located at Howard's Pass in the Selwyn Mountains between the Yukon and Northwest Territories (NT). The mine will be serviced by the Howard's Pass Access Road (HPAR) which will be used to supply the mine and used as a part of the overall transportation route for shipping the concentrates.

All minesite facilities will be located in the Yukon Territory close to the border with the NT. The HPAR transits the NT, connecting the project to the Nahanni Range Road; a public highway located in the NT and Yukon. The HPAR is roughly 80 km long and transits two National Park Reserves; Nahanni National Park Reserve and Nááts'ihch'oh National Park Reserve. A map of the project location is attached to this letter.

In order to advance the Project, SCML needs to improve the HPAR ahead of mine construction. The road needs to be improved to support the heavy loads and frequent traffic that will be required to successfully build the mine. Road improvements will require Type A Land Use Permits from the Mackenzie Valley Land and Water Board (MVLWB) and Parks Canada.

At present the HPAR is a single lane gravel road roughly three to four meters wide. SCML intends to enter the permitting process to allow improvements, including widening, straightening and reinforcement of the road structure. The road will be widened to eight to nine meters wide and the road subgrade substantially reinforced. Revisions to the alignment will be made locally to reduce curvature and improve driver visibility. This will allow the road to be used safely as a heavy haul road capable of supporting construction of the mine facilities and shipping of mine concentrates.

The HPAR transects both the Sahtu Settlement Area and Dehcho Territory. SCML has entered into formal Cooperation Agreements with Sahtu communities in the Tulita District (Tulita Land Corporation, Fort Noman Metis Land Corporation and Norman Wells Land Corporation), as well as the Naha Dehe Dene Band in the Dehcho. SCML is in active consultation with these groups on the HPAR Land Use application.

Two images are provided below for comparative purposes. One is of HPAR and shows an example of the current condition of the road. The other is an example of a typical mine haul road and is indicative of the type of road the Project will need to have to advance to the next stage of development.



Photo 1: Howard's Pass Access Road - current condition

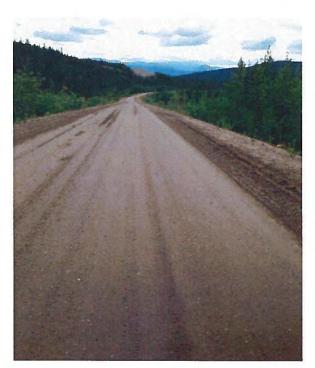


Photo 2: Example of typical mine haul road

SCML intends to file permit applications for a Type A Land Use Permit for this work with the Mackenzie Valley Land and Water Board and Parks Canada by the end of April, 2015. For further information on the Project and planned permit application, please contact:

Selwyn Chihong Mining Ltd. #2701-1055 W. Georgia St. Vancouver, B.C. V6E 0B6

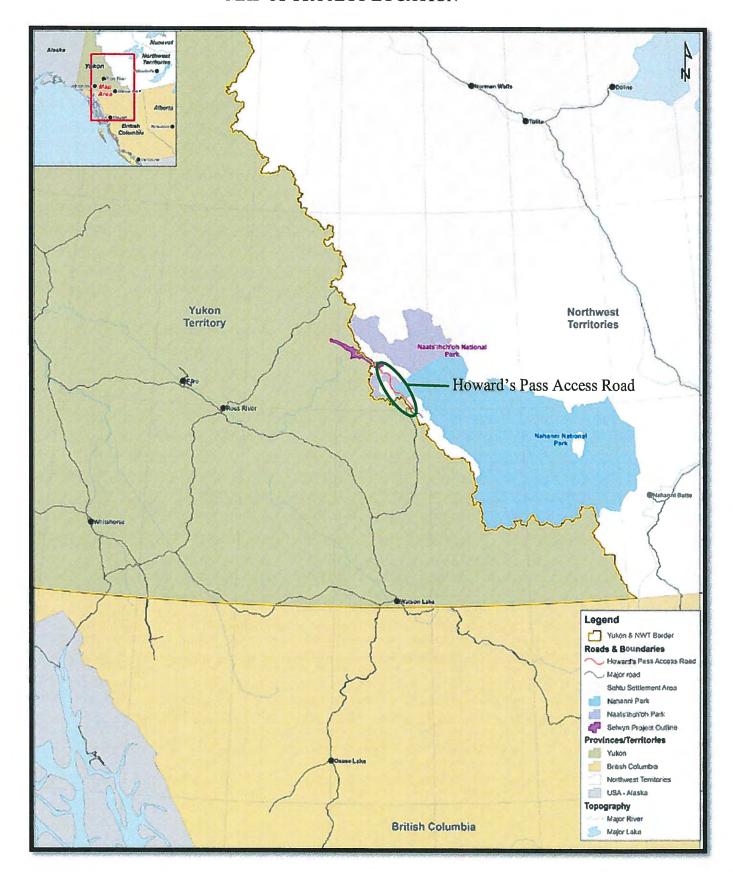
Attn: Doug Reeve, Manager of Permitting and Regulatory Affairs dreeve@chihongmining.com
(604) 620–6188 ext 805

Sincerely,

SELWYN CHIHONG MINING LTD.

Maurice Albert, VP External Affairs

#### MAP OF PROJECT LOCATION





#2701 – 1055 W Georgia Street Vancouver, British Columbia Canada V6E 0B6

> Telephone: (604)620-6188 Fax: (604) 681-8344

Chief & Council Ross River Dena Council General Delivery Ross River, YT Y0B 1S0 March 4, 2015

Dear Chief and Council;

# Re: Selwyn Chihong Mining Ltd. – Howard's Pass Access Road Land Use Permit Application

Selwyn Chihong Mining Ltd. (SCML) is in the process of permitting and developing the Selwyn Project; a 35,000 tonne per day open pit mine producing zinc and lead concentrates. The Project is located at Howard's Pass in the Selwyn Mountains between the Yukon and Northwest Territories (NT). The mine will be serviced by the Howard's Pass Access Road (HPAR) which will be used to supply the mine and used as a part of the overall transportation route for shipping the concentrates.

All minesite facilities will be located in the Yukon Territory close to the border with the NT. The HPAR transits the NT, connecting the project to the Nahanni Range Road; a public highway located in the NT and Yukon. The HPAR is roughly 80 km long and transits two National Park Reserves; Nahanni National Park Reserve and Nááts'ihch'oh National Park Reserve. A map of the project location is attached to this letter.

In order to advance the Project, SCML needs to improve the HPAR ahead of mine construction. The road needs to be improved to support the heavy loads and frequent traffic that will be required to successfully build the mine. Road improvements will require Type A Land Use Permits from the Mackenzie Valley Land and Water Board (MVLWB) and Parks Canada.

At present the HPAR is a single lane gravel road roughly three to four meters wide. SCML intends to enter the permitting process to allow improvements, including widening, straightening and reinforcement of the road structure. The road will be widened to eight to nine meters wide and the road subgrade substantially reinforced. Revisions to the alignment will be made locally to reduce curvature and improve driver visibility. This will allow the road to be used safely as a heavy haul road capable of supporting construction of the mine facilities and shipping of mine concentrates.

The HPAR transects both the Sahtu Settlement Area and Dehcho Territory. SCML has entered into formal Cooperation Agreements with Sahtu communities in the Tulita District (Tulita Land Corporation, Fort Noman Metis Land Corporation and Norman Wells Land Corporation), as well as the Naha Dehe Dene Band in the Dehcho. SCML is in active consultation with these groups on the HPAR Land Use application.

Two images are provided below for comparative purposes. One is of HPAR and shows an example of the current condition of the road. The other is an example of a typical mine haul road and is indicative of the type of road the Project will need to have to advance to the next stage of development.

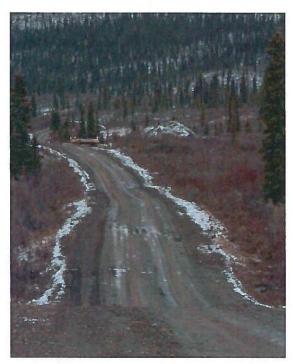


Photo 1: Howard's Pass Access Road - current condition

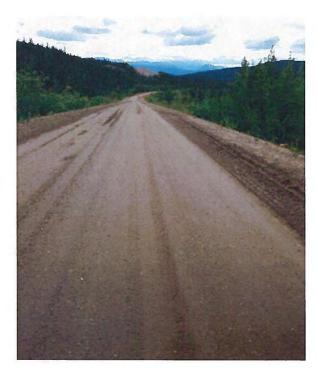


Photo 2: Example of typical mine haul road

SCML intends to file permit applications for a Type A Land Use Permit for this work with the Mackenzie Valley Land and Water Board and Parks Canada by the end of April, 2015. For further information on the Project and planned permit application, please contact:

Selwyn Chihong Mining Ltd. #2701-1055 W. Georgia St. Vancouver, B.C. V6E 0B6

Attn: Doug Reeve, Manager of Permitting and Regulatory Affairs dreeve@chihongmining.com
(604) 620–6188 ext 805

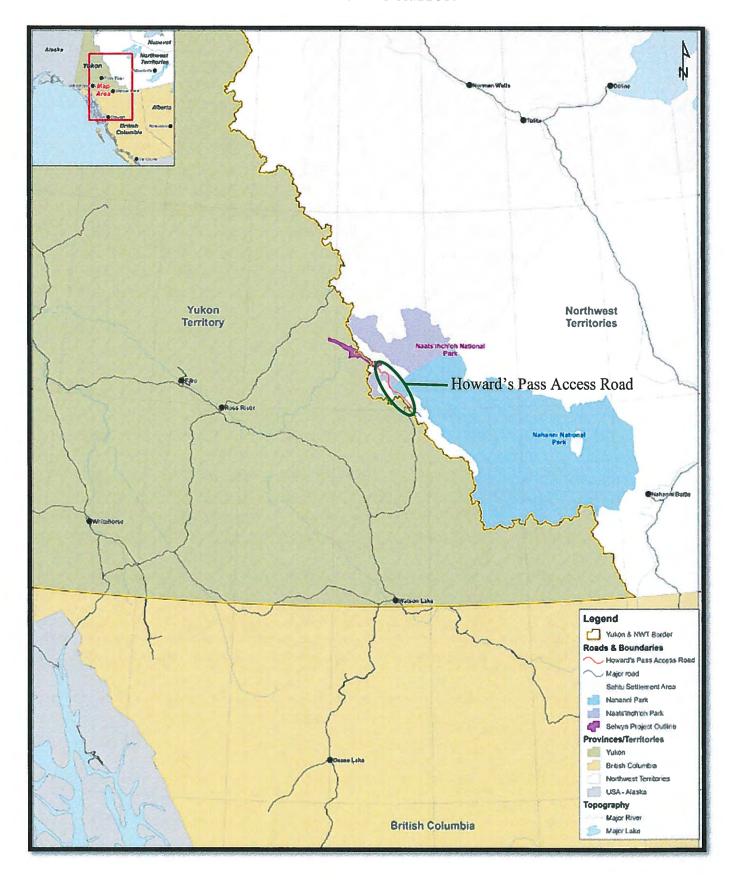
Sincerely,

SELWYN CHIHONG MINING LTD.

Maurice Albert, VP External Affairs

cc: Kaska Dena Council

#### MAP OF PROJECT LOCATION





#2701 – 1055 W Georgia Street Vancouver, British Columbia Canada V6E 0B6

> Telephone: (604)620-6188 Fax: (604) 681-8344

Chief & Council Liard First Nation PO Box 328 Watson Lake, YT Y0A 1C0 March 4, 2015

Dear Chief and Council;

# Re: Selwyn Chihong Mining Ltd. – Howard's Pass Access Road Land Use Permit Application

Selwyn Chihong Mining Ltd. (SCML) is in the process of permitting and developing the Selwyn Project; a 35,000 tonne per day open pit mine producing zinc and lead concentrates. The Project is located at Howard's Pass in the Selwyn Mountains between the Yukon and Northwest Territories (NT). The mine will be serviced by the Howard's Pass Access Road (HPAR) which will be used to supply the mine and used as a part of the overall transportation route for shipping the concentrates.

All minesite facilities will be located in the Yukon Territory close to the border with the NT. The HPAR transits the NT, connecting the project to the Nahanni Range Road; a public highway located in the NT and Yukon. The HPAR is roughly 80 km long and transits two National Park Reserves; Nahanni National Park Reserve and Nááts'ihch'oh National Park Reserve. A map of the project location is attached to this letter.

In order to advance the Project, SCML needs to improve the HPAR ahead of mine construction. The road needs to be improved to support the heavy loads and frequent traffic that will be required to successfully build the mine. Road improvements will require Type A Land Use Permits from the Mackenzie Valley Land and Water Board (MVLWB) and Parks Canada.

At present the HPAR is a single lane gravel road roughly three to four meters wide. SCML intends to enter the permitting process to allow improvements, including widening, straightening and reinforcement of the road structure. The road will be widened to eight to nine meters wide and the road subgrade substantially reinforced. Revisions to the alignment will be made locally to reduce curvature and improve driver visibility. This will allow the road to be used safely as a heavy haul road capable of supporting construction of the mine facilities and shipping of mine concentrates.

The HPAR transects both the Sahtu Settlement Area and Dehcho Territory. SCML has entered into formal Cooperation Agreements with Sahtu communities in the Tulita District (Tulita Land Corporation, Fort Noman Metis Land Corporation and Norman Wells Land Corporation), as well as the Naha Dehe Dene Band in the Dehcho. SCML is in active consultation with these groups on the HPAR Land Use application.

Two images are provided below for comparative purposes. One is of HPAR and shows an example of the current condition of the road. The other is an example of a typical mine haul road and is indicative of the type of road the Project will need to have to advance to the next stage of development.

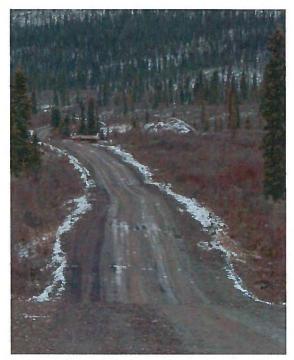


Photo 1: Howard's Pass Access Road - current condition

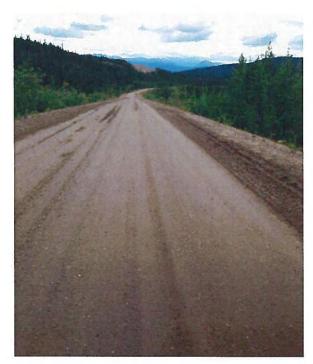


Photo 2: Example of typical mine haul road

SCML intends to file permit applications for a Type A Land Use Permit for this work with the Mackenzie Valley Land and Water Board and Parks Canada by the end of April, 2015. For further information on the Project and planned permit application, please contact:

Selwyn Chihong Mining Ltd. #2701-1055 W. Georgia St. Vancouver, B.C. V6E 0B6

Attn: Doug Reeve, Manager of Permitting and Regulatory Affairs dreeve@chihongmining.com
(604) 620–6188 ext 805

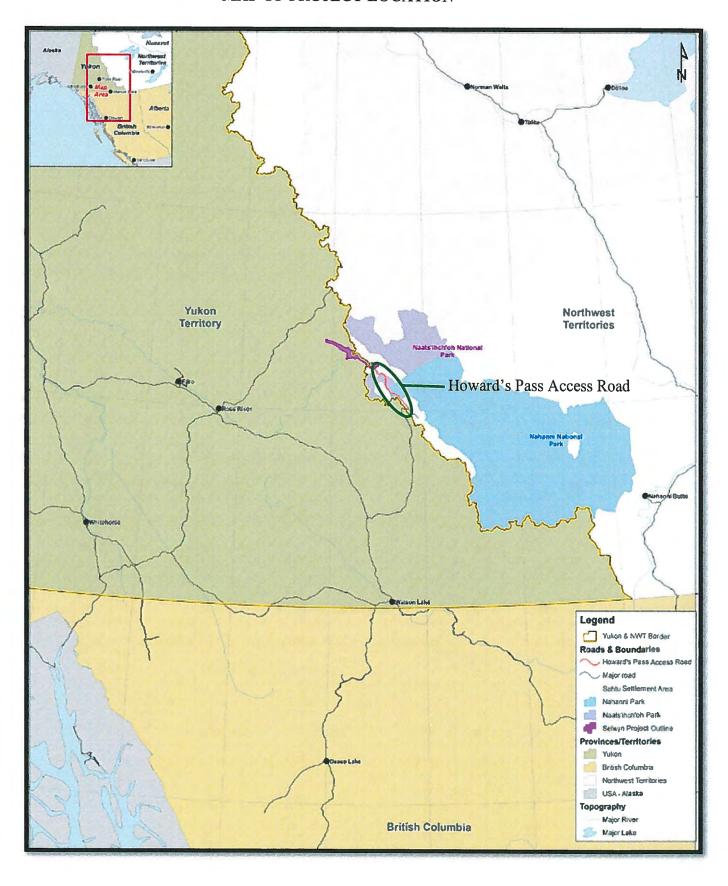
Sincerely,

SELWYN CHIHONG MINING LTD.

Maurice Albert, VP External Affairs

cc: Kaska Dena Council

#### MAP OF PROJECT LOCATION





#2701 – 1055 W Georgia Street Vancouver, British Columbia Canada V6E 0B6

> Telephone: (604)620-6188 Fax: (604) 681-8344

Alison dePelham, Executive Director Dehcho First Nations PO Box 89 Fort Simpson, NT X0E 0N0

March 4, 2015

Dear Alison;

# Re: Selwyn Chihong Mining Ltd. – Howard's Pass Access Road Land Use Permit Application

Selwyn Chihong Mining Ltd. (SCML) is in the process of permitting and developing the Selwyn Project; a 35,000 tonne per day open pit mine producing zinc and lead concentrates. The Project is located at Howard's Pass in the Selwyn Mountains between the Yukon and Northwest Territories (NT). The mine will be serviced by the Howard's Pass Access Road (HPAR) which will be used to supply the mine and used as a part of the overall transportation route for shipping the concentrates.

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In order to advance the Project, SCML needs to improve the HPAR ahead of mine construction. The road needs to be improved to support the heavy loads and frequent traffic that will be required to successfully build the mine. Road improvements will require Type A Land Use Permits from the Mackenzie Valley Land and Water Board (MVLWB) and Parks Canada.

At present the HPAR is a single lane gravel road roughly three to four meters wide. SCML intends to enter the permitting process to allow improvements, including widening, straightening and reinforcement of the road structure. The road will be widened to eight to nine meters wide and the road subgrade substantially reinforced. Revisions to the alignment will be made locally to reduce curvature and improve driver visibility. This will allow the road to be used safely as a heavy haul road capable of supporting construction of the mine facilities and shipping of mine concentrates.

The HPAR transects both the Sahtu Settlement Area and Dehcho Territory. SCML has entered into formal Cooperation Agreements with Sahtu communities in the Tulita District (Tulita Land Corporation, Fort Noman Metis Land Corporation and Norman Wells Land Corporation), as well as the Naha Dehe Dene Band in the Dehcho. SCML is in active consultation with these groups on the HPAR Land Use application.

Two images are provided below for comparative purposes. One is of HPAR and shows an example of the current condition of the road. The other is an example of a typical mine haul road and is indicative of the type of road the Project will need to have to advance to the next stage of development.

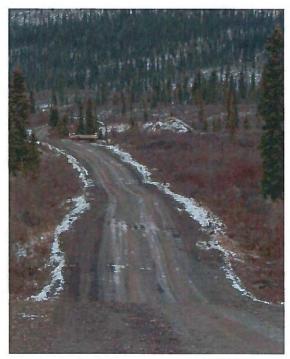


Photo 1: Howard's Pass Access Road - current condition

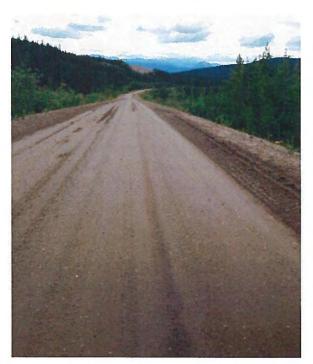


Photo 2: Example of typical mine haul road

SCML intends to file permit applications for a Type A Land Use Permit for this work with the Mackenzie Valley Land and Water Board and Parks Canada by the end of April, 2015. For further information on the Project and planned permit application, please contact:

Selwyn Chihong Mining Ltd. #2701-1055 W. Georgia St. Vancouver, B.C. V6E 0B6

Attn: Doug Reeve, Manager of Permitting and Regulatory Affairs dreeve@chihongmining.com
(604) 620–6188 ext 805

Sincerely,

SELWYN CHIHONG MINING LTD.

Maurice Albert, VP External Affairs

cc: Roxanne Konisenta, Naha Dehe Dene Band

#### MAP OF PROJECT LOCATION

