



June 5, 2001

Hon. Robert Nault, P.C., M.P.
Minister of Indian Affairs and Northern Development
10 Wellington Street, North Tower
Ilull, Quebec
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By fax: 1-613-996-1759 1-819-953-4941

Dear Minister Nault:

Re: Mackenzic Valley Environmental Impact Review Board

Report of Environmental Assessment (EA00-002a) – May 9, 2001 Cat Camp Fuel Cache Retrieval and Clean-up Development

Request for Referral back to Review Board under MVRMA Sec. 130 (1) (b) (i)

On May 10, 2001 we wrote to request that you exercise your powers under Section 130 (1) (b) (i) of the MVRMA and refer the abovenoted Report of Environmental Assessment back to the MVEIRB for further consideration. In the absence of any response from you, the MVLWB has indicated that it will now consider this matter, including the MVEIRB's Report of Environmental Assessment, on June 14, 2001.

Our reasons for this request were that, in our opinion, the MVEIRB erred in reaching their conclusion that "the proposed development will likely cause a significant adverse impact on the terrain, particularly karst features", as a result of which they recommended approval of the development subject to the condition that "the development occur in the winter of 2001/2002 using the access road from the mine to the fuel cache as a winter road, not as an all-weather road."

Canadian Zinc maintains that the proposed development will not likely have a significant adverse impact on the terrain, as the development will use an existing road that is 20 years old and only requires relatively minor rehabilitation in order to be usable, and that no significant karst features have been identified in the area of the road proposed for use.

It is important to understand that this same road was used extensively during construction of the mine in 1980-81 to haul in hundreds of loads totaling thousands of tonnes of equipment and supplies to the minesite. The portion of the road proposed for use is not a "winter road" in the sense of others typically constructed in the NWT under frozen conditions over flat terrain traversing lakes and muskeg. Rather, it is a mountain road, constructed as a side cut on sloping terrain using cut and fill construction techniques. As such, it essentially is an all-weather road.

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The proposed development is for the clean-up of an orphaned bulk fuel cache left over by previous operators from 20 years ago. The 30,000 gallon cache of diesel is located in a remote area 40 km by the existing road from our minesite over mountainous terrain. No other usable road access to the fuel cache site exists, and the nearest public highway is 120 km away. The proposed development, which was planned to be undertaken in the early fall under the most ideal weather conditions, represents the most practical and sensible means of eliminating this potential environmental liability.

The sole purpose of the proposed development is to mitigate this environmental liability, an activity which we believe has the full support of your staff, and that of Environment Canada, in the NWT region. The recommendation of the MVEIRB to allow this activity to be undertaken only in the winter imposes an unnecessary and unacceptable level of risk, not only to the environment, but also to worker safety, without adequate justification.

These mitigation efforts cannot, with the resources currently available to the Company, be safely and practically undertaken under adverse winter conditions. As a result, this decision by the Review Board, if allowed to stand, will mean that the proposed fuel cache recovery and clean-up will not proceed as planned. As a result, this potential environmental liability will continue to exist, a situation which is certainly not in the best interests of anyone.

As the MVLWB staff are currently preparing their submissions for the upcoming Board meeting on June 14, we once again urge that you exercise your authority to give direction to the MVEIRB to reconsider their decision before the opportunity to effect a responsible clean-up in a timely fashion is lost.

Yours very truly,

CANADIAN ZINC CORPORATION

J. Peter Campbell VP Project Affairs

cc:

Bob Overvold - Regional Director General, DIAND (Fax: 1-867-669-2703)

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