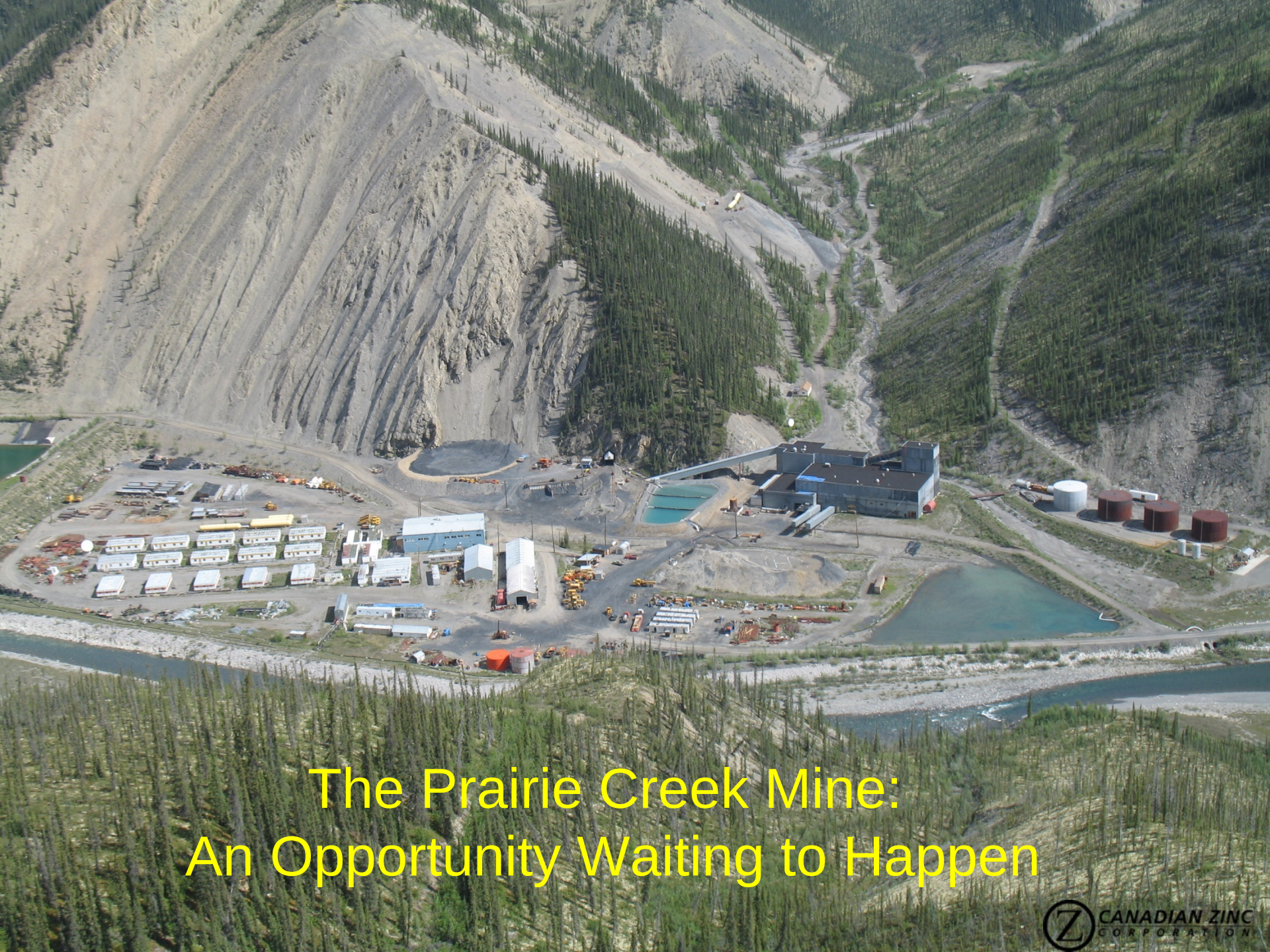




Prairie Creek Mine Environmental Assessment Community Meeting Nahanni Butte June 22, 2011





The Prairie Creek Mine: An Opportunity Waiting to Happen

Legend

- 1 - Airstrip
- 2 - Access Road
- 3 - Water Storage Pond
- 4 - Waste Rock Pile Proposed Location
- 5 - Main Yard
- 6 - Mill Concentrator
- 7 - 870 Portal
- 8 - 930 Portal
- 9 - 970 Portal
- 10 - Parts Yard
- 11 - Tank Farm
- 12 - South Yard

Prairie Creek

Harrison Creek

Approximate Scale
0 100 200 300 400
Metres

Status before CZN came in

- Mine water discharge without treatment
- 40 tonnes of cyanide
- PCB waste
- Large, scattered waste oil inventory
- Road banks without armour
- Poor engagement with First Nations

CZN Program

- Doubled defined mineral resource
- Mine water is now treated
- Cyanide and PCB's removed
- Road banks are armoured
- Good direct relations with First Nations and full engagement

Community and Regional Initiatives

ENVIRONMENTAL MONITORING
 Training in Partnership with NWT MINE TRAINING SOCIETY
 Monitoring Services Provided by NOGHA ENTERPRISES

Prairie Creek Employment - Summer 2007

Total people employed at mine - 47
 First Nations employment - 22 (47%)
 Dehcho-based employment - 19 (40%)

Nahanni Butte - 7
 Fort Liard - 6
 Fort Simpson - 5
 Jean Marie River - 1

Local Expenditure Since 2004

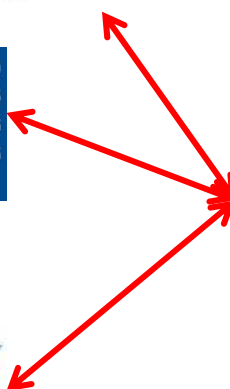
Direct First Nation Payroll	\$ 493,411
Direct First Nations Service Co.	\$1,261,189
Education and Training	\$ 39,150
TOTAL	\$1,793,750

 Canadian Northern Economic Development Agency Agence canadienne de développement économique du Nord

 **AURORA COLLEGE**
 YOUR CAREER STARTS HERE!

Campus Phone Numbers (toll-free)
 Aurora: 1-866-287-2655
 Thebacha: 1-866-266-4966
 Yellowknife / North Slave: 1-866-291-4866

 **Mine Training Society**
 NORTHWEST TERRITORIES





870 LEVEL: PORTAL

Main Quartz Vein Mineralization

Footwall contact

Hanging wall contact

5.9% Pb, 39.4% Zn, 176.8 gpt Ag/1.9 m

UNDERGROUND 930 LEVEL: X-CUT 09



970 Portal

930 Portal

870 Portal



Prairie Creek Mining Operations

CZN Development Plan

- Cadillac - tailings on surface
- CZN
 - tailings backfilled
 - covered waste rock pile
 - water recycle & treatment
 - mineral concentrates in bags
 - low risk closure plan
 - First Nation partnerships/benefits
- Responsible Development

Prairie Creek Mine

WINTER ROAD TO LIARD

3000 FOOT AIRSTRIP

3 LEVELS OF UG

1000 TPD MILL &
POWER
GENERATION

POND

ACCOMMODATIONS

FLOOD PROTECTION DIKE

SEWAGE TREATMENT PLANT

WORKSHOPS, OFFICE

FUEL FARM

Tank Farm



Mill and Catchment Pond



Geological Resources

- Total resource = **12 million tonnes:**
- Zinc; Lead; Silver; Copper
 - over **60 million ounces silver**
 - over **3 billion lbs of zinc**
 - over **2.2 billion lbs of lead**
- Current 14 year mine life

Mine Entrance (Portals)

970 Portal

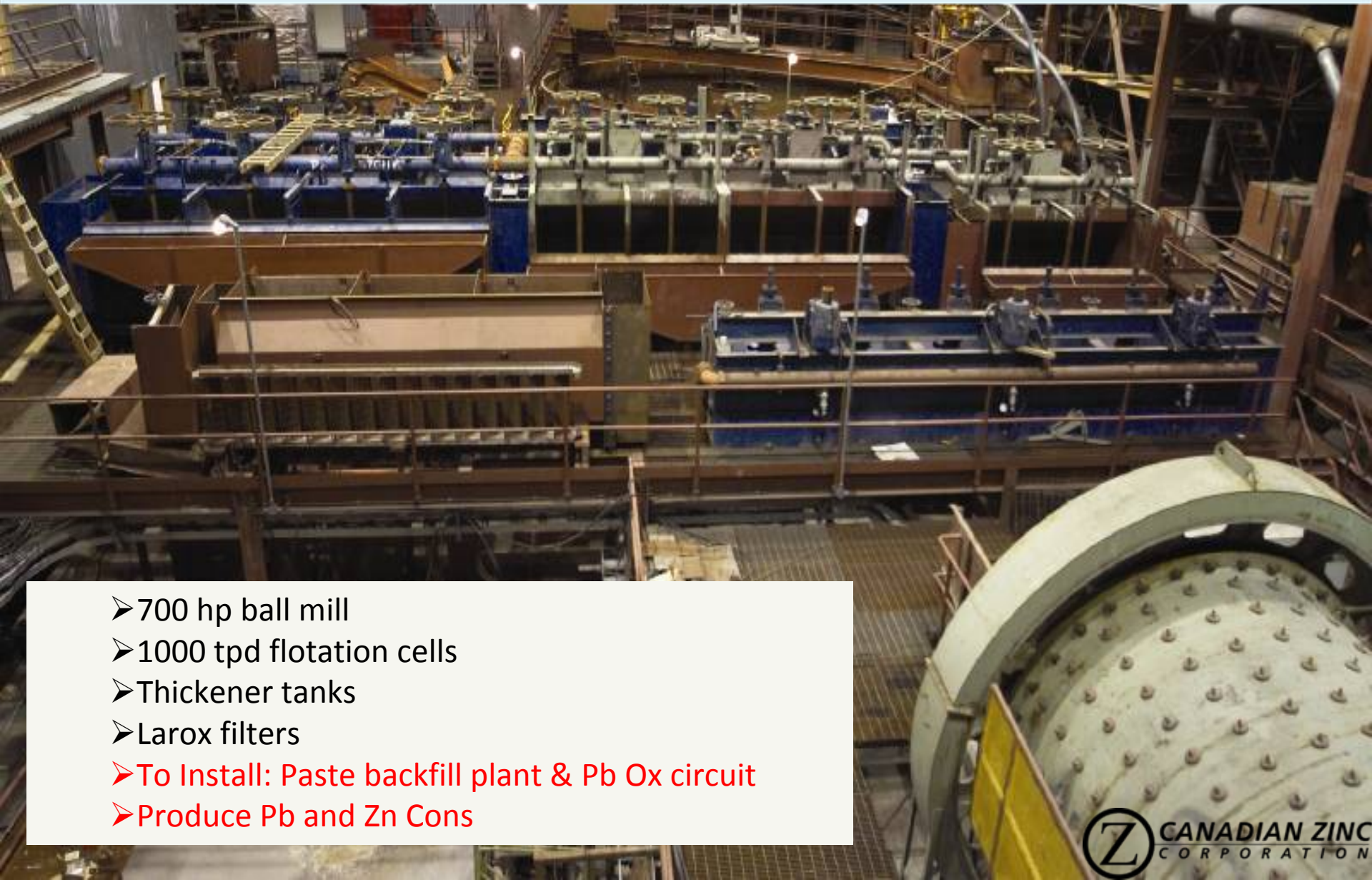
930 Portal

870 Portal

Mining and Milling

- Mine up to 1,300 tonnes/day
- Mill up to 1,000 tonnes/day
- Crushing/grinding/flotation process, addition of dense media separation and backfill plants
- Production of zinc and lead concentrates, transport by truck to railhead via winter road

Mill: Grinding & Flotation Circuit



- 700 hp ball mill
- 1000 tpd flotation cells
- Thickener tanks
- Larox filters
- To Install: Paste backfill plant & Pb Ox circuit
- Produce Pb and Zn Cons