



June 5, 2014

VIA EMAIL

Chief Harry Deneron
Acho Dene Koe
General Delivery
Fort Liard, NT X0G 0A0

President Ernie McLeod
Fort Liard Métis Council Local 67
General Delivery
Fort Liard, NT X0G 0A0

Dear Sirs:

Re: Participation in the Canadian Zinc Corporation - Prairie Creek All Season Road and Airstrip Environmental Assessment (EIA-EA(PR)-2014/15-01)

As you are aware, Canadian Zinc Corporation (the "Developer") has filed a Land Use Permit and Water Licence application for construction of an all season road between the Liard Highway and the Prairie Creek Mine as well as construction of an adjacent airstrip (the "Project"). On May 22, 2014, the Mackenzie Valley Land and Water Board ("MVLWB") referred the Project to the Mackenzie Valley Environmental Impact Review Board (the "Review Board") for environmental assessment ("EA").

As the location of the proposed Project is in proximity to your community, the purpose of this letter is to encourage your representatives to participate in the processes of the Review Board and MVLWB, as well as in the engagement efforts of the Developer.

During the EA, a variety of opportunities are available for potentially affected Aboriginal groups to communicate any concerns to the Review Board, including during scoping sessions, technical review and public hearing phases of the EA. When providing such input, groups are encouraged to:

- clearly indicate, in as much detail as possible, whether any adverse impacts on their established or asserted Aboriginal or treaty rights are anticipated as a result of the Project; and, if so,
- clearly indicate the specific right(s) that may be affected, the specific impact(s) on those right(s), how those impacts can be mitigated, as well as any evidence that will help in understanding those impacts; and,

- support the Review Board in understanding the evidence, including traditional knowledge, with respect to both potential impacts and mitigations.

The MVLWB has developed Engagement Guidelines which require the Developer to prepare an engagement plan for affected communities and maintain an engagement record. In addition to the EA process, direct engagement with the Developer is one of the principal means through which your group can:

- fully understand the nature and scope of the Project;
- identify any potential adverse impacts of the Project;
- explore alternatives to eliminate or mitigate such impacts; and,
- offer local knowledge or advice on the Project.

For those matters within its mandate, the Government of Canada will rely on the consultative processes of the Review Board and the MVLWB, as well as the engagement conducted by the Developer, as the primary means for discharging any potential consultation obligations. For clarity, the Project is located partially within Nahanni National Park Reserve and partially on territorial public lands. As such, the responsibilities of the federal Minister for this EA, under Part 5 of the *Mackenzie Valley Resource Management Act*, will remain with the Government of Canada. Other federal and territorial ministers will have regulatory decision-making responsibilities pursuant to their respective mandates.

It is recognized that engaging in EA and regulatory processes may impact your organization's human and financial resources. As you are aware, funding from the Government of the Northwest Territories' Interim Resource Management Assistance program (administered by Aboriginal Affairs and Northern Development Canada prior to devolution) might be utilized (in accordance with program guidelines) for projects such as this one, as the program is intended to strengthen the ability of Aboriginal communities in areas of the Northwest Territories without modern treaties to participate in land and resource management activities.

The Northern Projects Management Office of CanNor will act as the Crown consultation coordinator on behalf of federal ministers with statutory decision making in relation to the Project. The Government of Canada looks forward to your representatives actively participating in the EA, regulatory processes and related engagement opportunities.

Sincerely,

A handwritten signature in blue ink, appearing to read 'MS', with a long horizontal flourish extending to the right.

Matthew Spence
Director General
Northern Projects Management Office,
Canadian Northern Economic Development Agency

cc: Kate Hearn, Assistant Deputy Minister, Planning and Coordination, Department of Lands, Government of the Northwest Territories
Kathryn Bruce, Regional Director General, Aboriginal Affairs and Northern Development Canada
Catherine Conrad, Director, Environment and Renewable Resources Directorate, Aboriginal Affairs and Northern Development Canada
Allison Stoddart, Environmental Assessment Specialist, Natural Resource Conservation Branch, Parks Canada
Carey Ogilvie, Head, Environmental Assessment North, Environment Canada
Stuart Niven, Senior Fisheries Protection Biologist, Fisheries and Oceans Canada
David McNabb, Director, Sustainable Mining and Materials Policy Division, Natural Resources Canada
Michele Taylor, Regional Director General, Prairie and Northern Region, Transport Canada
Alex Simpson, A/Director General, Stewardship and Sustainable Transportation Programs, Transport Canada
Mark Cliffe-Phillips, Executive Director, Mackenzie Valley Environmental Impact Review Board
David Harpley, Vice President, Permitting and Environmental Affairs, Canadian Zinc Corporation