



April 12, 2005

via email/fax/post

Attention: Martin Haefele
Senior Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
5102, 50th Avenue
PO Box 938,
Yellowknife, NT X1A 2N7

Dear Mr. Haefele:

**Comments on Draft Terms of Reference and Workplan for Environmental Assessment:
LUP MV2004C0030, MVEIRB File EA 0405-02**

Canadian Zinc Corporation (CZN) is pleased to provide comments on the MVEIRB's draft Terms of Reference and Workplan (dated March 29, 2005) for the Environmental Assessment of CZN's Phase 3 surface drilling exploration program at the Prairie Creek site. Our comments are made according to the order of sections as they appear in the draft.

2 Scope of Development

CZN is in general agreement with the MVEIRB's defined scope of the development, consisting of a list of physical works or activities. We appreciate the fact that aspects of the site that have recently been assessed have not been included, particularly as they mainly relate to activities that have already been permitted, including the Phase 2 drilling program. We would, however, like to recommend deletion of the following point from the list: *"Use of the camp and infrastructure as required for the purposes of the Drilling Program, and separate from support for already permitted activities"*.

The proposed Phase 3 drilling program would be undertaken using two skid-mounted drill rigs that are already on site, plus one helicopter-portable rig. Use of the skid-mounted rigs, and camp support for the crews operating them, was assessed for the Phase 2 drilling program. Therefore, only camp support for the 'heli-rig' operation and crew is additional to the Phase 2 program. The total number of persons comprising the crew would be a maximum of 4, plus a pilot and engineer, making 6. CZN also presently has a Land Use Permit and Water licence for underground exploration drilling and operation of a pilot plant, respectively. If these operations and the skid-mounted drills were all active, they could involve up to 31 persons. With normal care-and-maintenance site staff numbering approximately 6, there would be approximately 37 persons on-site. Consequently, the heli-rig operation and crew would be a relatively small addition to the overall operation, and not a significant addition in terms of use of camp facilities. Further, CZN is not planning to operate a pilot plant on site this year, and plant personnel would be about the same number as the heli-rig crew.

The heli-rig would use diesel from the Tank Farm, but again, this would be a relatively small use compared to the other activities, and not significant in terms of potential risks posed by use of the Tank Farm which were addressed previously.

Therefore, we feel the use of camp facilities has been satisfactorily assessed and approved previously, and we ask that use of the camp and infrastructure to support the Phase 3 drilling program be removed from consideration.

B-1 Development Description

Part “b”, “d” and “e” appear to be requesting the same thing which has already been submitted within the Maps 5, 6, 7 of the detailed description report as “Proposed Diamond Drill Areas”, The nature of mineral exploration makes it very difficult to be more specific at this time.

B-2 Aerial Images

MVEIRB have asked CZN to provide aerial photographs or satellite images of the current condition of the entire Prairie Creek property. CZN understands that it is not the intention of the board that CZN have these materials produced if they do not already exist. CZN has aerial photographs from 1994 at a 1:20,000 scale taken by DIAND, and can provide this in scanned format. The material will show conditions which are not significantly different from those in existence at present. Some of the material may be proprietary, and in this case, CZN will request that the MVEIRB review it in confidence.

B-4 Road network responsibility

As the MVEIRB is aware, there is an extensive road network already in existence at Prairie Creek. The majority of these roads were established and used by previous companies during the 1970's and 1980's. San Andreas Resources Corporation, the predecessor company of CZN, utilized part of this road network during their diamond drill exploration programs in 1994 and 1995 under Land Use Permits issued by DIAND. At that time, reclamation was undertaken on any parts of the roads that required it, and sign-off was received from the DIAND inspectorate. In CZN's opinion, at this point in time, CZN does not have any outstanding obligation regarding reclamation of the existing road system. Further, while the existing roads appear to be stable and not significant contributors of sediment, final land restoration in these areas is not desirable as the company anticipates further exploration throughout the property and use of the roads. CZN proposes to construct limited extensions or spur roads from the existing network. CZN accepts that these roads are part of the scope of assessment, and that as many of the existing roads will also be used, the future use of these roads should also be assessed in terms of exploration and operations. From a corporate stand-point, CZN is committed to ensuring roads are stable after use in terms of erosion, and to reclaiming all of the roads on its property when it has no further use for them. CZN merely wishes that the scope of assessment is specific to the new road sections and the existing roads that are proposed to be used.

E-1 Aquatic Resources and Habitat*Point 6*

Based on advice from our hydrological consultant, Hay & Company (letter attached), CZN requests that this requirement be removed. The estimation of sediment loss is very subjective and prone to error. More importantly, the requirement seems to focus on the estimation of the extent of potential impact, rather than the implementation of effective source controls to prevent sediment migration. Therefore, in effect, the estimate would serve no purpose because the outcome, employment of source controls, is already planned to be adopted.

There are other issues with the requirement. There is an implied assumption that sediment discharge increases with storm magnitude. While this may be the case, impact would be related to how this sediment compares to bed load already in the creek. It could be argued that with increasing storm intensity, the potential for impact actually reduces because the bed load in the creek is prone to significant natural increase. Again, the focus needs to be on the effectiveness of runoff controls in disturbed areas. Please also refer to our comments above under B-4 regarding 'the existing land disturbance' in terms of scope of the assessment.

In conclusion, while the requirement may make for good scientific research, it has little practical value for sediment control and environmental management. Therefore, the requirement should be deleted.

E-2 Wildlife and Wildlife Habitat

a)

CZN does not believe that a comparison analysis on the potential disturbance of wildlife by the transportation and operation of helicopter-based drilling versus that of the ground-transported rigs is appropriate. The potential for impact for each drilling method should be considered independent of the other. The requirement implies that the outcome could be used to decide which method is preferred in a particular area, based on a marginal difference in estimated impact potential between the two, when in fact the mitigated potential for both may be low. As such, the requirement does not have a practical application. The focus needs to be on effective management and mitigation of potential impacts, not subjective comparisons. CZN requests deletion of the requirement.

E-3 Reclamation

b)

As discussed above under B-4, the existing road network should not be included in the scope of the assessment, except for those roads that will be used. Then, how these roads will be used and reclaimed should be considered. There should be no immediate consideration for reclamation prior to use as this is outside of the scope. CZN requests deletion of the requirement.

e)

A climax vegetation community is essentially that which exists at present in undisturbed areas. From a reclamation perspective, it is inappropriate to consider such a condition as a measure of reclamation success, as the requirement implies. The goal of reclamation should be to generate a naturally stable surface with vegetation that is native and self-sustaining. The time to climax is immaterial to environmental management. It should be recognized that the area of land likely to be disturbed will be a very small proportion of the total, such that any loss to aesthetic value or food sources will be relatively insignificant and temporary. CZN requests that 'climax vegetation community' be replaced by 'stabilizing, self-sustaining community' in the requirement.

5.4 Schedule

In general, CZN is unhappy with the schedule as proposed because of the total aggregate time involved. In the context of an application for drilling, the total time for assessment is excessive, even if CZN strives to minimize the time it requires to complete its deliverables. CZN recognizes that third parties may have practical constraints in terms of their ability to respond in a timely manner. Nevertheless, CZN respectfully asks the MVEIRB to review the schedule and make adjustments where possible to 'tighten-it-up' and make it more consistent with the subject being considered. For example, 40 days for EA decision. This time period may be appropriate for decision and report production. In any event, a time period for report production should be included in the table.

If you have any questions please contact us at 604-688-2001

Yours truly,
CANADIAN ZINC CORPORATION

"David P. Harpley"

David P. Harpley, P. Geo.
Environmental Coordinator

"Alan B. Taylor"

Alan B. Taylor
COO & VP, Exploration

Attachment