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Aug. 8, 2008

Our File: **4780 006**

Richard Edjericon,
Chairperson
Mackenzie Valley Environmental Impact Review Board
P.O. Box 938,
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By Email & Facsimile: 766-7074

Mackenzie Valley Land and Water Board
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Attention: Tyree Mullaney

**Re: Canadian Zinc Corporation – Applications for Land Use Permits
MV2008T0012, MV2008T0013 & MV2008D0014 and Water Licence
MV2008L2-0002 – Prairie Creek Mine Project**

The Department of Fisheries and Oceans (DFO) and Environment Canada (EC) have reviewed the above applications, and provide the following advice pursuant to Section 22 of the *Mackenzie Valley Resource Management Act*. DFO's contribution to the request for specialist advice is based primarily on the mandated responsibilities under the *Fisheries Act*, Environment Canada's contribution is based primarily on the mandated responsibilities for the enforcement of Section 36(3) of the *Fisheries Act*, the *Canadian Environmental Protection Act*, the *Species at Risk Act*, and the *Migratory Birds Convention Act*.

Canadian Zinc Corp. (CZN) is proposing to mine approximately 5.8 million tonnes of ore over a 14 year mine life, using underground mining techniques with production rates of 600-1200 tonnes/day. Ore will be milled using the existing infrastructure, with concentrates trucked off-site via winter road. Tailings will be backfilled underground, and waste rock will be placed in a pile in the Harrison Creek valley.

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As Responsible Ministers contributing to the preliminary screening of the applications, DFO and Environment Canada are of the opinion that the above noted project “might have significant adverse impacts on the environment” and, therefore, request that an environmental assessment of the Prairie Creek Mine Project proposal be conducted. We have identified a number of technical and environmental aspects of the proposed Project which should be assessed. These include:

- Water management and treatment;
- Viability of 100% disposal of tailings underground as paste backfill;
- Disposal of waste rock adjacent to Harrison Creek, regarding stability and potential for impingement on fish habitat;
- Waste management plans;
- Development of complete site closure and reclamation plans, and identification of an appropriate security deposit.
- Presence of SARA-listed species in the area (grizzly bears, wolverine, peregrine falcons, woodland caribou, wood bison) and the potential for effects on these species and their habitat needs to be assessed.

Please do not hesitate to contact Anne Wilson (EC) at (867) 669-4735 or by email at anne.wilson@ec.gc.ca or Sheena Majewski (DFO) at (867) 669-4926 or by email at sheena.majewski@dfo-mpo.gc.ca with any questions or comments with regards to the foregoing.

Yours truly,

Anne Wilson
Water Pollution Specialist
Environmental Protection Operations Division
Environment Canada

Sheena Majewski
Habitat Biologist
Fish Habitat Management
Fisheries and Oceans Canada

cc: Carey Ogilvie (Head, EA-North, EPOD)
Mike Fournier (Coordinator, EA, EPO)
Myra Robertson (CWS)
Derrick Moggy (Team Leader, Habitat, DFO)
Sarah Olivier (Coordinator, EA, DFO)

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