



Ottawa, Canada K1A 0H4

MAI 07 2018  
MAY 07 2018

Chief Peter Marcellais  
Nahanni Butte Dene Band  
General Delivery  
NAHANNI BUTTE NT X0E 0N0

Dear Chief Marcellais:

I am writing in response to your December 7, 2017, letter regarding the Canadian Zinc Corporation's proposed all-season road to its Prairie Creek Mine. I apologize for the delay in responding. I understand that you are concerned that a permit to construct the road could be approved without a Traditional Land Use Agreement in place between the Nahanni Butte Dene Band and the Canadian Zinc Corporation.

As you have stated in your letter, the Mackenzie Valley Environmental Impact Review Board cannot require that the Canadian Zinc Corporation enter into a Traditional Land Use Agreement. Similarly, the Government of Canada does not have the authority to compel the Canadian Zinc Corporation to enter into such an agreement. Therefore, any Traditional Land Use Agreement would have to be negotiated between the Canadian Zinc Corporation and the Nahanni Butte Dene Band as a private agreement between two parties.

As communicated throughout the Mackenzie Valley Environmental Impact Review Board's environmental assessment process for the Prairie Creek All Season Road Project, if the responsible ministers accept the September 12, 2017, Report of Environmental Assessment and Reasons for Decision, the only way for the project to proceed as planned, given the proposed road alignment, is for the Nahanni Butte Dene Band to relinquish the Indian Affairs Branch lands back to Canada by way of a Band Council Resolution. This will enable Crown-Indigenous Relations and Northern Affairs Canada to grant a licence to the Canadian Zinc Corporation for that portion of the road and to issue a lease for the barge landing area. Given that your Band Council Resolution will be required in order to access the Indian Affairs Branch lands, I anticipate that the Canadian Zinc Corporation will have a willingness to work with you to address your concerns and to finalize the Traditional Land Use Agreement for the use and management of the all-season road.

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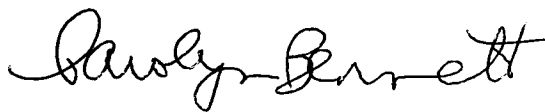
With regard to your request for funding to support further negotiations with the Canadian Zinc Corporation, I regret to inform you that Crown-Indigenous Relations and Northern Affairs Canada does not provide this type of financial support.

Instead, I recommend that you approach the Canadian Northern Economic Development Agency with your request. If you are interested in discussing your funding proposal further with a Canadian Northern Economic Development Agency representative, please direct your query to David Alexander, Project Manager, Canadian Northern Economic Development Agency, at 867-669-2597.

I encourage you to continue to work collaboratively with the Canadian Zinc Corporation to conclude your Traditional Land Use Agreement and to discuss any other issues that need to be addressed prior to passing your Band Council Resolution for the Indian Affairs Branch lands portion of the Prairie Creek All Season Road Project.

Further, I also encourage you to engage constructively with the Canadian Zinc Corporation to enable them to respond in a timely manner to the information requests in Crown-Indigenous Relations and Northern Affairs Canada's January 19, 2018, letter (enclosed for your convenience). This will enable the responsible ministers to complete their analysis and make their decision recommendation on the Report of Environmental Assessment and Reasons for Decision for the proposed Prairie Creek All Season Road Project.

Sincerely,

A handwritten signature in black ink, appearing to read "Carolyn Bennett". The signature is fluid and cursive, written in a professional style.

Hon. Carolyn Bennett, M.D., P.C., M.P.

Encl.

c.c.: Mr. Alan B. Taylor  
Mr. Mark Cliffe-Phillips  
Mr. Mathieu Parker



Affaires indiennes  
et du Nord Canada

Indian and Northern  
Affairs Canada

Sous-ministre adjoint    Assistant Deputy Minister

Ottawa, Canada  
K1A 0H4

JAN 19 2018

David P. Harpley  
Vice President of Environment and Permitting Affairs  
Canadian Zinc Corporation  
Suite 1710, 650 West Georgia Street  
PO Box 11644  
VANCOUVER BC V6B 4N9

Via e-mail: [david@canadianzinc.com](mailto:david@canadianzinc.com)

Dear David,

I, on behalf of the Minister of Crown-Indigenous Relations and Northern Affairs Canada, and along with the responsible ministers with jurisdiction for this project, would like to advise you that we have carefully reviewed the Mackenzie Valley Environmental Impact Review Board's (Review Board) September 12, 2017, Report of Environmental Assessment and Reasons for Decision (Report), as well as the public record for the Canadian Zinc Corporation's Prairie Creek All-Season Road (Project) environmental assessment. Furthermore, the responsible ministers have carefully reviewed the post-Report responses to the September 12, 2017, letter from the Canadian Northern Economic Development Agency's Northern Projects Management Office to potentially impacted Indigenous groups, including letters from:

- Nahanni Butte Dene Band on October 2, 2017, October 5, 2017 and December 7, 2017;
- Łııdłı Kųę First Nation on October 20, 2017;
- Dehcho First Nations on October 20, 2017; and
- Acho Dene Koe First Nation on November 7, 2017.

The responsible ministers have also considered the Canadian Zinc Corporation's November 21, 2017 letter to the Northern Projects Management Office. All of the above noted letters can be viewed on the Review Board's [public registry](#).

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Before the responsible ministers can make a decision on the Report pursuant to subsection 130(1) of the *Mackenzie Valley Resource Management Act* (Act), we must be confident that all of the recommended measures, as written, and the Canadian Zinc Corporation's commitments, as set out in the Appendix C of the Report, will be implemented. We must also be confident that the Crown has discharged its legal duty to consult by meaningfully and completely consulting with impacted Indigenous groups.

After having reviewed the Łı́ıdlı́ Kúę First Nation and Dehcho First Nations' October 20, 2017 letters, as well as the Canadian Zinc Corporation's November 21, 2017 letter, the responsible ministers are unclear as to how the Canadian Zinc Corporation will implement the Report's measures and commitments. Specifically, we are concerned that, although the Report's measures are inclusive of the participation of potentially impacted Indigenous groups, the Canadian Zinc Corporation is taking an exclusive approach (i.e. proposing working with select individual bands on the implementation of measures). This exclusive approach is not consistent with the Report's measures and the Minister of Crown-Indigenous Relations and Northern Affairs, on behalf of the responsible ministers, is therefore not currently in a position to be able to make a decision under subsection 130(1) of the Act. Furthermore, contrary to the Canadian Zinc Corporation's position, these issues cannot be deferred to post-environmental assessment processes, nor can measures directed to the Canadian Zinc Corporation be re-directed to third parties.

To better inform the responsible ministers' decision on the Report under subsection 130(1) of the Act, along with the responsible ministers, I am issuing the specific information request in the enclosure. The information request is pursuant to subsection 130(4.06) of the Act and has the effect of pausing the five month time limit to distribute a decision on the Report provided under subsection 130(4.02) of the Act. The time limit will resume only after the Canadian Zinc Corporation has provided an adequate response to the responsible ministers for all of the information sought through in the enclosure.

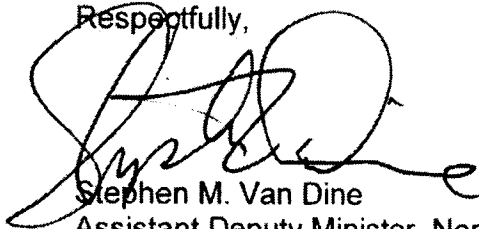
In this information request, the responsible ministers identify specific issues raised by the Indigenous groups that need further clarity through proponent engagement. The responsible ministers require the Canadian Zinc Corporation to engage the Nahanni Butte Dene Band, Łı́ıdlı́ Kúę First Nation, and the Dehcho First Nations. The Canadian Zinc Corporation is

required to provide the records and results of those engagements, the agreed upon actions and the implementation plans for the relevant measures and commitments. We will evaluate the Canadian Zinc Corporation's response to the information request prior to a decision under subsection 130(1) of the Act. Should the responsible ministers determine that the Canadian Zinc Corporation's response to the information request is inadequate, we will issue a further information request pursuant to subsection 130(4.06) of the Act until the responsible ministers are satisfied that the response is sufficient to make a decision on the Report under subsection 130(1) of the Act.

Please note that the information request focuses on information required for the responsible ministers, to make a decision under subsection 130(1) of the Act and does not include additional information that will be required in subsequent regulatory processes should the Project proceed to that phase. Furthermore, the responsible ministers remain cognizant of the issues raised by Indigenous groups that are better addressed during the regulatory phase of the Project and will turn our attention to such issues at the appropriate time should the Project be approved to proceed.

As the Northern Projects Management Office co-ordinates project reviews and Crown consultation on behalf of the responsible ministers, please provide your written response directly to the Northern Projects Management Office's Project Officer Umar Hasany ([umar.hasany2@canada.ca](mailto:umar.hasany2@canada.ca)). If the Canadian Zinc Corporation has questions about the contents of this letter and the enclosure, please contact Umar Hasany. The responsible ministers and I look forward to your response.

Respectfully,



Stephen M. Van Dine  
Assistant Deputy Minister, Northern Affairs Organization

Encl. Information Requests

Enclosure

**EA1415-01 – Canadian Zinc Corporation's Prairie Creek All-Season Road – Information Requests from Federal and Territorial Responsible Ministers**

**Topic Area: Dene Knowledge**

The responsible ministers and the federal Minister note that the Mackenzie Valley Resource Management Act requires the Review Board and the land and water boards of the Mackenzie Valley to consider both traditional knowledge and western scientific knowledge that is made available to them. The October 20, 2017 letters to the Northern Projects Management Office from the Łı́ıdlı́ Kúęę First Nation and the Dehcho First Nations have indicated that Dene knowledge and values must be fully considered in the implementation of the measures and must be acquired through the development of protocols and processes with the Nahanni Butte Dene Band, Łı́ıdlı́ Kúęę First Nation and the Dehcho First Nations. Specifically, the Łı́ıdlı́ Kúęę First Nation makes such a request for measures 6-1, 6-2, 6-3, 8-1, 9-1, 11-1, 11-2, 12-1 and 15-1. Furthermore, the Report's measure 10-1 would require the Canadian Zinc Corporation to incorporate traditional knowledge in a "culturally-appropriate way that respects applicable traditional knowledge policies and protocols."<sup>1</sup>

The Canadian Zinc Corporation's November 21, 2017 letter makes it apparent to the responsible ministers and the federal Minister that the Canadian Zinc Corporation is aware of the existence of traditional knowledge that would have direct bearing on the Project and has not identified how the traditional knowledge will be incorporated into the implementation of the Report's measures and the Canadian Zinc Corporation's commitments. Thus, the responsible ministers and the federal Minister make the following information request:

**Information Request #1**

**The responsible ministers and the federal Minister require that the Canadian Zinc Corporation engage with the Nahanni Butte Dene Band, Łı́ıdlı́ Kúęę First Nation and the Dehcho First Nations, to gain an understanding of each Indigenous group's protocols and policies related to the sharing and inclusion of Dene knowledge and values and determine how such protocols and policies may apply to measures 6-1, 6-2, 6-3, 8-1, 9-1, 11-1, 11-2, 12-1 and 15-1. Following the engagements, the Canadian Zinc Corporation is required to provide the record and results of those engagements, the agreed**

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<sup>1</sup> EA1415-01 PR 556, September 12, 2017, Mackenzie Valley Environmental Impact Review Board. Report of Environmental Assessment and Reasons for Decision. Page 269.

upon actions, which may include the collaborative development of policies and protocols related to the incorporation of Dene knowledge in all areas of the Project, and the implementation plans for the relevant measures and commitments.

**Topic Area: Łíídlı Kúę First Nation's Indigenous Knowledge Study**

The Łíídlı Kúę First Nation indicates in their October 20, 2017 letter to the Northern Projects Management Office that the Canadian Zinc Corporation previously committed to conducting an Indigenous Knowledge Study and that the Canadian Zinc Corporation has not yet fulfilled this commitment. In the Canadian Zinc Corporation's November 21, 2017 letter, the Canadian Zinc Corporation highlights Łíídlı Kúę First Nation's existing Indigenous knowledge studies and is of the view "that significant traditional knowledge information is already available and could be provided, and extensive further studies should not be considered necessary."<sup>2</sup>

In its letter, the Canadian Zinc Corporation also identifies that the traditional knowledge study for the Nahanni Butte Dene Band was funded by government financial assistance. The responsible ministers and the federal Minister note that while Indigenous and Northern Affairs Canada did fund the initial traditional knowledge study, that the study was deemed to be incomplete by the Nahanni Butte Dene Band and that the Canadian Zinc Corporation and the Nahanni Butte Dene Band subsequently agreed that the Canadian Zinc Corporation would provide funding to complete the study as well as undertake various other steps.<sup>3</sup> Generally, Federal and territorial government practices in the Northwest Territories defer to project proponents to fund any traditional knowledge studies that need to be undertaken in regards to project environmental assessments and regulatory processes in the jurisdiction, and that government funding for portions of the Nahanni Butte Dene Band's traditional knowledge study was an exception to such practices. Thus, the responsible ministers and the federal Minister make the following information request:

**Information Request #2**

**The responsible ministers and the federal Minister require that the Canadian Zinc Corporation engage with the Łíídlı Kúę First Nation to clarify the Indigenous group's understanding of the Canadian Zinc Corporation's commitment to fund an Indigenous Knowledge Study. Following the engagements, the Canadian Zinc Corporation is**

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<sup>2</sup>EA1415-01 PR 581, November 21, 2017, Canadian Zinc Corporation. Letter to the Northern Projects Management Office. Page 3.

<sup>3</sup>EA0809-002 PR 245, August 2009, Crosscurrent Associates Inc. on behalf of the Nahanni Butte Dene Band. Page 1-2.

**required to provide the record and results of those engagements, the agreed upon actions and the implementation plans for the relevant measures and commitments.**

### **Topic Area: Sundog Creek Diversion Plan**

Specific to measure 9-1, Łíídlı Kúę First Nation requests in their October 20, 2017 letter to the Northern Projects Management Office that the Sundog Creek Diversion Plan be provided to an independent third party with relevant expertise prior to approval by regulators and that the independent third party must be in part chosen by the Nahanni Butte Dene Band, Łíídlı Kúę First Nation and the Dehcho First Nations.

The responsible ministers and the federal Minister note that the independent technical review panel for the Project that is recommended under measure 5-1 may consider any relevant information through the implementation of the Report's measures and commitments, including hydrological investigations that may result from measure 9-1. To gain further clarity, the responsible ministers and the federal Minister make the following information request:

#### **Information Request #3**

**The responsible ministers and the federal Minister require that the Canadian Zinc Corporation engage with the Nahanni Butte Dene Band, Łíídlı Kúę First Nation and the Dehcho First Nations, to gain an understanding of the Indigenous groups' request for an independent third party to review the Sundog Creek Diversion Plan. Following the engagements, the Canadian Zinc Corporation is required to provide the record and results of those engagements, the agreed upon actions and the implementation plans for the relevant measures and commitments.**

### **Topic Area: Inclusion of all Impacted Indigenous Groups in Project Monitoring Related Activities**

It is apparent from the Canadian Zinc Corporation's November 21, 2017 letter that the Canadian Zinc Corporation's position on engagement with certain Indigenous groups would be inconsistent with the Report's measures. In particular, measures 5-1 (parts 3 and 4), 6-1 (part 2 and 3), 10-1, 10-2, 15-1 (part 2), 15-2 and 15-4 would require the Canadian Zinc Corporation to engage with the Nahanni Butte Dene Band, Łíídlı Kúę First Nation and the Dehcho First Nations with respect to a variety of issues.



In their November 21, 2017 letter, the Canadian Zinc Corporation justifies its approach with reference to post-Report verbal discussions with the Review Board staff regarding measure 15-4, and the Review Board's intention to include or exclude Indigenous groups in community monitoring based on the interpretation of "and".<sup>4</sup> The responsible ministers and the federal Minister note that in making their decision on the Report under subsection 130 (1) of the Act, the responsible ministers and the federal Minister must rely on the text of the Report instead of the reported verbal discussions. The responsible ministers and the federal Minister understand the Report to require an inclusive approach for participation of Indigenous groups.

Specific to monitoring of the Project, the Canadian Zinc Corporation identifies in their November 21, 2017 letter that "the IBA [Impacts Benefits Agreement] agreements include commitments by Canadian Zinc to provide for monitoring of the mine access road by NBDB [Nahanni Butte Dene Band] members and monitoring of the mine site by LKFN [Łíídlı Kúę First Nation] members. Each Band was and is aware of the other's area of responsibility and, in this way, there is a clear division of tasks and responsibilities."<sup>5</sup> While the Canadian Zinc Corporation's November 21, 2017 letter acknowledges the Nahanni Butte Dene Band's desire to be the only Indigenous group responsible for monitoring the Project, they also recognize that the "responses by LKFN [Łíídlı Kúę First Nation] and DFN [Dehcho First Nations] indicate that those groups expect to be involved in the monitoring."<sup>6</sup> Notwithstanding the Impacts Benefits Agreements with the Nahanni Butte Dene Band and Łíídlı Kúę First Nation, those Indigenous groups continue to state concerns with the Canadian Zinc Corporation's approach to meaningful engagement with the Nahanni Butte Dene Band, Łíídlı Kúę First Nation and the Dehcho First Nations. The responsible ministers and the federal Minister acknowledge the confidentiality of the agreements that the Canadian Zinc Corporation has entered into with the Indigenous groups and are only commenting on information disclosed in the Canadian Zinc Corporation's November 21, 2017 letter. Furthermore, the responsible ministers and the federal Minister emphasize that they, along with any other government representative, cannot direct the Canadian Zinc Corporation, or any other project proponent, to modify or enter into impact-benefit type agreements that are between the proponent and non-government third parties, such as Indigenous groups.

Furthermore, the responsible ministers and the federal Minister note that the Impacts Benefits Agreements signed to date with the Nahanni Butte Dene Band and Łíídlı Kúę First Nation were negotiated for the mine and

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<sup>4</sup> EA1415-01 PR 581, November 21, 2017, Canadian Zinc Corporation. Letter to the Northern Projects Management Office. Page 2.

<sup>5</sup> Ibid. Page 2.

<sup>6</sup> Ibid. Page 2.

winter road project and to the knowledge of the responsible ministers and the federal Minister, those agreements have not been updated or no new agreements entered into with those Indigenous groups for the Prairie Creek All-Season Road project.

Finally, the responsible ministers and the federal Minister note that the Canadian Zinc Corporation has made a number of commitments relating to environmental monitoring, including commitments 43, 96, 167, 198, 207 and 208 as listed in Appendix C of the Report. The commitments are vague and fail to specify whether all affected Indigenous groups will be included in activities related to the commitments, or if they only include the Nahanni Butte Dene Band.

To address the above, the responsible ministers and the federal Minister make the following information request:

#### **Information Request #4**

**The responsible ministers and the federal Minister require that the Canadian Zinc Corporation engage with the Nahanni Butte Dene Band, Łııdlı Kųę First Nation and the Dehcho First Nations, to discuss and determine how the Indigenous groups will be included in monitoring the Project, particularly in regards to the implementation of measures 5-1 (parts 3 and 4), 6-1 (part 2 and 3), 10-1, 10-2, 15-1 (part 2), 15-2 and 15-4, as well as any related Canadian Zinc Corporation's commitments. Following the engagements, the Canadian Zinc Corporation is required to provide the record and results of those engagements, agreed upon actions and the implementation plans for the relevant measures and commitments.**

#### **Topic Area: Funding Support for Indigenous Groups' Participation in Implementation of Measures and Monitoring related to the Project**

The Report includes extensive discussion of Indigenous groups' involvement during the implementation of several measures, including activities related to monitoring. The Report states that the "Review Board is not setting specific monitoring requirements or requiring any particular program," but that the developer must "support, to the greatest extent practicable monitoring initiatives undertaken by the Aboriginal groups that were parties to this EA."<sup>7</sup> The Report's measure 15-4 recommends that "to help prevent significant adverse impacts on the environment and on Indigenous rights, the Canadian Zinc Corporation will support, to the greatest extent practicable, independent monitoring of the Project area

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<sup>7</sup> EA1415-01 PR 556, September 12, 2017, Mackenzie Valley Environmental Impact Review Board. Report of Environmental Assessment and Reasons for Decision. Page 346.

through monitoring initiatives undertaken by the Nahanni Butte Dene Band, The Łíídlı Kúę First Nation, and Dehcho First Nations.<sup>8</sup>

In the Łíídlı Kúę First Nation and the Dehcho First Nations' October 20, 2017 letters to the Northern Projects Management Office, the Indigenous groups raise concerns that they may not be supported in their independent monitoring. In addition, the Łíídlı Kúę First Nation makes requests for support for the Indigenous groups to participate in the implementation of measures, including for measures 6-1, 6-2, 8-1, 11-1, 11-2, 12-1, 15-1 and 15-4.

Finally, the responsible ministers and the federal Minister note that measure 10-1 recommends that the Canadian Zinc Corporation support the traditional knowledge requirements for relevant measures, in part through considering "and where applicable, incorporating Traditional Knowledge into Project design, mitigation, monitoring and adaptive management."<sup>9</sup> To address the issues under this topic, the responsible ministers and the federal Minister make the following information request:

#### **Information Request #5**

**The responsible ministers and the federal Minister require that the Canadian Zinc Corporation engage with the Nahanni Butte Dene Band, Łíídlı Kúę First Nation and the Dehcho First Nations:**

- **to discuss support for those Indigenous groups' independent monitoring that would be practicable for the Canadian Zinc Corporation and consistent with the intent of measure 15-4 and other relevant measures and commitments and;**
- **to discuss the Indigenous groups' request for support to participate in the implementation of measures 6-1, 6-2, 8-1, 10-1, 11-1, 11-2, 12-1, 15-1 and 15-4.**

**Following the engagements, the Canadian Zinc Corporation is required to provide the record and results of those engagements, agreed upon actions and the implementation plans for the relevant measures and commitments.**

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<sup>8</sup> ibid, Page 347.

<sup>9</sup> ibid. Page 371.



**NAHANNI BUTTE DENE BAND**

General Delivery, Nahanni Butte  
NT, X0E 0N0, Canada

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Email: [chief.nbdb@gmail.com](mailto:chief.nbdb@gmail.com)



7 December 2017

The Honourable Carolyn Bennet  
Minister of Crown-Indigenous Relations and Northern Affairs  
Terrasses de la Chaudiere  
Gatineau, QC K1A 0H4

BY EMAIL TO: [minister@aadnc-aandc.gc.ca](mailto:minister@aadnc-aandc.gc.ca)

Dear Madam:

**Re: Canadian Zinc All Weather Road  
Application to the Mackenzie Valley Review Board  
-and - Referral to Minister**

As the elected Chief of Nahanni Butte, I write to you to ask that you approve the building of an all-weather road to the proposed Prairie Creek Mine, if any only if, an agreement has been entered into between Canadian Zinc ("CanZinc") and the community of Nahanni Butte.

CanZinc has committed to entering into such an agreement, which we have styled a Traditional Land Use Agreement (the "Agreement") both before and during the hearings held by the Mackenzie Valley Review Board (the "Board") in our community and in Fort Simpson, NWT earlier this year.

Discussions were held between both parties about an Agreement prior to the hearings by the Board, however nothing has advanced since that time.

I note with concern that the Board did not make the completion of such an Agreement a condition of their recommendation to you. They have told us that such a condition would be beyond their mandate.

We, the community of Nahanni Butte, only provided support for the road if such a condition were to apply. Without such an Agreement our conditional support will be withdrawn.

Page 1 of 2

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CanZinc has recently been in the media stating that they have two major issues to address in order to have a mine opened in 2020: raising sufficient money, \$279M and getting a permit to build the road. (See attached CBC North article of December 1, 2017.)

We assert Minister that there is a third major issue: a Traditional Land Use Agreement. Hence we ask that you make this a condition of any future activity by CanZinc.

We believe that a majority of Canadians would believe that a mine such as is being proposed is good for Canada. Likewise we believe that your government would believe that such a mine is good for the Canadian economy. That the impacted Indigenous nation is supportive in a general sense, conditional at this time only on a Traditional Land Use Agreement, should be considered a good news situation. Regrettably that support will change without the Agreement.

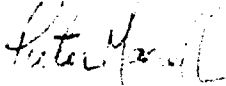
Please be aware that as our community is small, 100 people, and the Elders are very much in control of what we do as a community. All Band Council Resolutions are passed not only by the elected Council but also by all Elders. We are tight knit and we stick to our position.

As well, as we are so small, we have major challenges with finding sufficient monies to move ahead with the many items on our agenda. Any financial assistance your department might provide to aid us in negotiating with CanZinc would be most welcome.

In closing we have two asks of you:

- (1) Make it a condition of any permit for a road that CanZinc must have a completed Traditional Land Use Agreement with the community of Nahanni Butte before any work is done on an all season road.
- (2) That you direct your departmental staff to work with our senior staff to get some funding to us immediately so we can move ahead with negotiations on the Agreement.

Mahsi Cho



Chief Peter Marcellais

Enc.

c.c. Matthew Spence, Regional Director General, Yellowknife

# Canadian Zinc hopes to start production at Prairie Creek mine in 2020

The Canadian Zinc Corporation believes production could start at Prairie Creek mine by August 2020.

## Feasibility study released Oct. 31 estimates \$279 million to bring the mine into production

Randi Beers · [CBC News](#) · December 1, 2017



The Prairie Creek mine may be brought into production in 2020.

The Canadian Zinc Corporation believes production could start at Prairie Creek Mine by August 2020.

This is according to results of a feasibility study commissioned by the company, which was released Oct. 31.

- **Prairie Creek Mine receives permits for ore mining**

The study, put together by mining consulting firm AMC Mining Consultants, estimates the Prairie Creek mine could pull in \$1.2 billion over its 15-year mine life and create 330 full-time jobs in the Dehcho region.

All of this is dependant on two major things, according to Alan Taylor, chief operating officer of Canadian Zinc. The company must get final approval to build an all-season road to the mine —

which is at an advanced stage of construction already — and it must raise the money needed to both build the road and revive the mine.

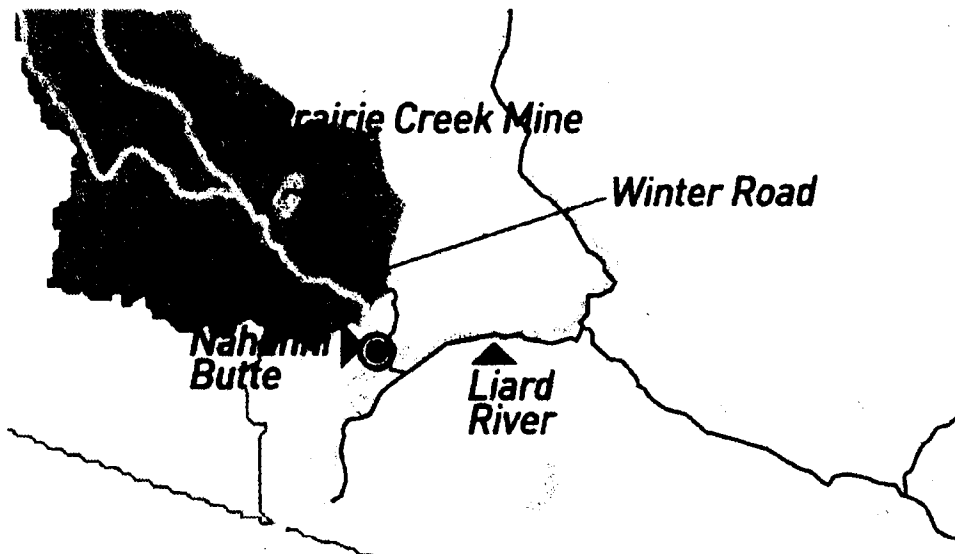
To do that, the company is out wooing investors to the tune of \$279 million.

"It's somewhat encouraging," said Taylor of the the current state of investor appetite for mining projects. "It's a pretty cautious market out there. It's not easy — everything comes at a cost."

In September, the Mackenzie Valley Land and Water Board recommended the all-season road go forward, and passed the decision along to the federal minister of Crown-Indigenous Relations and Northern Affairs. Canadian Zinc expects to receive an answer by the end of February.

- Long-awaited N.W.T. mining road through national park gets thumbs up from review board

The Prairie Creek property is surrounded by the Nahanni National Park Reserve. It can operate there pending all required regulatory approvals.



The Prairie Creek mine is surrounded by the Nahanni Park National Reserve, and would, if approved, have an all-season road pass nearby Nahanni Butte, N.W.T. (CBC)

The construction of the all-season road has received the support of the Nahanni Butte Dene First Nation, assuming certain conditions are met.

- Today's trapline could eventually open road to Nahanni National Park
- Growing impatient, Nahanni Butte starts building own road to mine

Tom Hofer, executive director of the N.W.T. and Nunavut Chamber of Mines, described two key factors Canadian Zinc will need in order to attract investment — the health of the zinc market and the perceived risk of investing in the Northwest Territories.



Tom Hofer, executive director of the N.W.T. and Nunavut Chamber of Mines, says the project has been significantly derisked. (CBC)

"Right now the market is doing very, very well," said Hofer of the cost of zinc.

"That's a result of a lot of zinc mines around the world having closed, so zinc supply has been drying up, but the demand is still there."

As far as risk goes, Hofer said Canadian Zinc has done a lot of work negotiating with Dehcho communities and has worked with regulators.

"So they've derisked it a lot," he said.

Hofer says he's optimistic about the viability of Prairie Creek mine, and the impact such an operation would have on the Dehcho region.



"Having a mine in that region is going to boost the economy a lot," he said. "All the spending goes around that ----- people spending their paycheques, paying rent, buying groceries and all of that would be a really good injection for that region."

Once Canadian Zinc gets permitting in place for the all-season road, Taylor says the focus will be raising money.

"[We'll] talk to financial institutions about our future needs for the operation and see if we can secure funding for development," he said.