

## APPENDIX A - ENGAGEMENT RECORD

January 31, 2023

Chief Steve Vital  
Naha Dehe Dene Band  
General Delivery  
Nahanni Butte, NT X0E 0N0

Dear Chief Steve:

**Re: Applications for Type A Water Licences, Prairie Creek Mine All Season Road**

Further to our letters of February 13, 2020 and December 3, 2020 (attached), this letter is to inform you that Canadian Zinc Corporation (CZN) intends to proceed with applications for Type A Water Licences for the all season road (ASR).

CZN already holds Type B Water Licences MV2014L8-0006 (territorial) and PC2014L8-0006 (park). These licences restrict daily water use from all sources to a maximum of 299 m<sup>3</sup>/day. This is the maximum allowed for a Type B Licence. When CZN tendered winter road construction contracts, many contractors indicated that the water withdrawal limit was an impediment to winter road construction progress.

CZN commenced Phase 1 winter road construction in December 2022. We found that the Type B daily water use limit proved to be an impediment to construction of an ice bridge over the Liard River. The contractor wanted to pump considerably more than the limit. In addition, we have found that winter road construction is challenged by a lack of snow. However, the use of snow making machines is not an option because of the water demand. We wish to rectify this situation for future winter roads, which will need to be suitable to carry supplies into the Mine, by acquiring Type A Water Licences.

In our applications for Type A Water Licences, we will be applying to raise the daily limit only. Each current Type B licence has a list of specific streams and lakes from which we can draw water. For the streams, we are only allowed to draw less than 10% of the instantaneous flow. For the lakes, we are only allowed to draw up to a total volume specific to each lake per winter season. We are not proposing to change those restrictions for the Type A licences. As such, environmental protection of the streams and lakes will be maintained as before.

For the territorial Type A licence, we will propose a daily limit of 2,000 m<sup>3</sup>/day. On December 1, 2021, the flow in the Liard River at the Fort Liard Station was recorded at 605 m<sup>3</sup>/sec. Assuming 10% of this, the daily volume would be over 5.2 million m<sup>3</sup>. The catchment area of the Liard River

at the Mine road crossing is much larger, hence the flow will be higher. As such, the river can easily sustain the proposed daily licence limit.

For the park Type A licence, we will propose a daily limit of 1,000 m<sup>3</sup>/day. On February 1, 2019 the flow in the Tetcela River at the road station was recorded at 0.232 m<sup>3</sup>/sec. Assuming 10% of this, the daily volume would be 2,004 m<sup>3</sup>. In addition, there are two large lakes in the park from which we can draw water.

We are available to answer any questions you may have.

Sincerely,  
CANADIAN ZINC CORPORATION

A handwritten signature in blue ink, appearing to read "D. Harpley", is positioned above the printed name.

David P. Harpley  
VP Permitting



February 13, 2020

Chief Darrell Betsaka  
Naha Dehe Dene Band  
General Delivery  
Nahanni Butte, NT X0E 0N0

Dear Chief Darrell,

**Re: Applications to the Mackenzie Valley Land and Water Board  
Exploration Permits and All Season Road, Prairie Creek Mine Project**

This letter is to provide you with details of Canadian Zinc Corporation's (CZN) proposed applications to the Mackenzie Valley Land and Water Board (the Board) including to amend or renew exploration permits relating to the Prairie Creek Mine (the Mine) site.

When it obtained the operating permits in 2013, CZN had hoped to be in a position to move forward with commercial production by now. However, there were delays in the permitting of the all-season access road, consequently delaying the Company's ability to develop the Mine.

Current capital markets are challenging and, as announced on February 4, 2020, the Company is seeking during 2020 to make the Mine more financially attractive via throughput enhancements. This will be assisted by the potential conversion of inferred resources into indicated resources through exploration drilling.

Details of the proposed applications are provided below.

**1. Underground Exploration (2<sup>nd</sup> Decline) Type A Land Use Permit**

LUP MV2012C0008 for underground exploration (2<sup>nd</sup> decline tunnel) was issued on May 10, 2012 for a term of five years, was extended for two years in May 2017, and expired on May 10, 2019. CZN did not develop a 2<sup>nd</sup> underground exploration decline tunnel, although MV2012C0008 was used in 2015 to conduct exploration drilling from the first decline tunnel.

The Company may still wish to develop a new decline in order to continue underground exploration of the Mine mineral deposit by conducting further drilling underground from the new decline, with the intention of further upgrading the mineral resources. For this reason, CZN applied for and obtained a new five-year LUP, MV2019C0011 on September 9, 2019.

The new LUP includes a condition requiring CZN to pay a security deposit of \$236,338 within 90 days of LUP issue. The amount represents a significant increase compared to MV2012C0008, which had a security amount of \$30,000. The increase is related to the Board's conclusion that

CZN is currently responsible for the treatment of all water emanating from the Mine, and evidence provided by the Government of the Northwest Territories (GNWT) defining an increased security requirement related to this water.

Water emanating from the Mine, at the 870 m level portal, consists of 2 separate streams: one stream is water from the 1<sup>st</sup> decline delivered to the portal by a pipeline; the other is drainage from workings that pre-date CZN's tenure on the property. That tenure is based on an existing Surface Lease which limits CZN's current liabilities. Based on the Lease, CZN believes the Company is responsible for managing the decline water, but not the drainage from the pre-existing workings. For this reason, CZN does not agree with the increased security.

CZN wrote to the Board on November 27, 2019 to ask for a review of their September 9 decision, or deferral of the increase to allow CZN time to discuss this matter further with the GNWT (Lands) who are responsible for tenure of the land. In a letter dated December 17, 2019 the Board declined CZN's request for a review of the security, and advised that CZN will need to submit a request to change the timeline of the security increase in order to obtain a deferral.

Rather than submit a request to change the timeline of the security increase, CZN plans to apply for a change to the LUP so that the security need only be paid before the undertaking (2<sup>nd</sup> decline) proceeds. This in effect would be a deferral until such time that CZN wishes to use the LUP. This would also provide time for CZN to have discussions with the GNWT.

## **2. Underground Exploration (2<sup>nd</sup> Decline) Type B Water Licence**

Water Licence MV2001L2-0003 was issued on September 10, 2003 for development of the 1<sup>st</sup> underground decline. The Water Licence term was extended for the 2<sup>nd</sup> decline, but expired on September 9, 2019. A new Water licence, MV2019L2-0006 was issued on September 9, 2019. Similar to LUP MV2019C0011, the new Water Licence includes a condition requiring CZN to pay an increased security deposit within 90 days of Licence issue. The increased amount is \$210,648 compared to a previous amount of \$70,000.

CZN's November 27, 2019 letter to the Board also asked for a review of this decision or deferral of the increase. Similar to the LUP, the Board's December 17, 2019 reply declined CZN's request.

CZN cannot apply to change the Licence so that the security need only be paid before the undertaking because the Licence is currently being used to regulate the management of all mine water. However, CZN will apply for a change to the timeline of the security increase in order to obtain a deferral and provide time for CZN to discuss the matter (responsibility for managing water from the pre-existing mine workings) with the GNWT (Environment and Natural Resources). Since these discussions will require some time, we will request a deferral of approximately 3 months from the date of this letter. Therefore, we will apply to change the Licence to reflect payment of the security within 9 months of Licence issue.

Depending on the outcome of CZN's discussions with the GNWT, CZN may also apply to amend the Licence to be specific to decline water only.

February 13, 2020  
NDDB

### **3. Exploration Drilling Type A Land Use Permit**

CZN has held a land use permit (LUP) for normal course exploration diamond drilling at locations throughout the Prairie Creek mineral leases since May 2006. LUP MV2004C0030 was issued on May 11, 2006 and expired on May 10, 2013. LUP MV2013C0002 was issued on April 25, 2013 and expires on April 24, 2020.

CZN intends to apply for a new five-year LUP. This would continue to allow exploration drilling on the wider Prairie Creek property.

### **4. All Season Road Water Licence**

CZN obtained Type B Water Licences MV2014L8-0006 (territorial land), MV2019L8-0002 (IAB Lands) and PC2014L8-0006 (Nahanni National Park Reserve (NNPR) land) in November 2019 for construction and operation of an all season road. Road construction will start with a winter road, and will include subsequent winter roads in order to provide access for all season road construction.

The Type B Water Licences for territorial and NNPR lands each have a daily water withdrawal limit of 299 m<sup>3</sup>/day. This is the maximum allowed for a Type B Licence. When CZN tendered a winter road construction contract last year, many contractors indicated that the water withdrawal limit was an impediment to winter road construction progress. As a result, CZN plans to apply for Type A territorial and NNPR land Licences in order to increase the water withdrawal limit.

Water for winter road construction will be sourced from local lakes and streams. Each source has a defined limit in the Licences on the amount (lakes) or rate (streams) of withdrawal to protect aquatic life. We are not proposing to change those limits. Therefore, the plan to increase the daily water withdrawal limit will not alter the existing aquatic life protections.

### **Follow-Up**

Should you have any questions or concerns related to any of the above-mentioned applications, please contact us. We would appreciate it if you could confirm our engagement with you on these matters by providing a reply by letter or email. Thank you.

Sincerely,



David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc



Parent of Canadian Zinc Corporation

December 3 2020

Naha Dehe Dene Band  
General Delivery  
Nahanni Butte, NT X0E 0N0

Dear Chief Darrell,

**Re: Applications to the Mackenzie Valley Land and Water Board  
New Operations Land Use Permit and Water Licence for Expanded Project and  
Changes to Effluent Criteria for Exploration Water Licence, Prairie Creek Mine**

This letter is to provide you with details of Canadian Zinc Corporation's (CZN's) planned applications to the Mackenzie Valley Land and Water Board (the Board) for new long-term operating permits, and to amend effluent criteria in an existing exploration Water Licence. Details are provided below.

### **Long-Term Operations Permits for an Expanded Project**

CZN plans to apply to the Board for a Land Use Permit (LUP) and long-term Water Licence (25 years) for an expanded Prairie Creek Mine (the Mine). Projected mine capital and operating costs have increased over time, and so we have had to change our mine plan to make sure the project is profitable and thus 'financeable'.

The proposed expansion will consist of an increased mining rate, which will allow metal concentrates to be produced at a higher rate. The original mine life is expected to be maintained through further exploration drilling, which occurred recently and is planned to continue in 2021. This drilling is occurring within the existing inferred mineral resources which we expect to lead to an increase in the mineable reserves.

We will also be proposing some changes to the original operating Water Licence MV2008L2-002. These changes relate to improved wastewater management plans, the operation of larger temporary stockpiles, and a larger waste rock pile.

The Company recently discussed these proposed applications informally with regulators and representatives of a number of local First Nations, and provided an informal information package. An abbreviated version of the package is attached for your information. This letter is to formally notify you of the planned applications.

### Changes to Effluent Criteria for Exploration Water Licence MV2019L2-006

Water Licence MV2019L2-006 was issued on September 9, 2019 and regulates the development of a 2<sup>nd</sup> underground exploration decline, and the treatment and discharge of mine water. CZN has been treating mine water since 2006 when the 1<sup>st</sup> underground decline was initiated. That decline is currently flooded, and while it produces some water, the water does not require treatment to meet effluent limits in the Licence. Mine water from the other mine workings, developed by Cadillac Explorations prior to CZN's site tenure, requires treatment.

The main constituent in the mine water requiring treatment is zinc. The existing Licence contains an effluent limit for total zinc. Total zinc refers to the sum of the concentration of zinc dissolved in the water as well as the concentration of zinc in sediment particles in the water. CZN has had difficulty in removing sediment from the treated water, which has sometimes led to the total zinc concentration exceeding the effluent criterion in the Licence. CZN has been successful in lowering the dissolved zinc concentration.

Prior to 2018, the federal Canadian Council for Ministers of the Environment (CCME) maintained a total zinc guideline for the protection of aquatic life. In 2018, the CCME replaced the total zinc guideline with a new one for dissolved zinc. In doing this, the CCME signalled that it is the dissolved form of zinc that is important for protection, not the total form. Accordingly, CZN is planning to apply to the Board to change the zinc criterion in the Licence from total to dissolved, consistent with the CCME dissolved zinc guideline. This will not mean any reduction by CZN of water treatment efforts, only it should avoid exceedances of the Licence criterion which incorrectly associate total zinc with a reduction in aquatic life protection.

### All Season Road Water Licences

In the spring of this year, we advised you that CZN was planning to apply for a Type A Water Licences for the all season road (ASR) to replace the Type B Water Licences MV2014L8-0006 (territorial land) and PC2014L8-0006 (Nahanni National Park Reserve (NNPR) land). This is to advise you that we have not yet made these applications, but still plan to do so.

The Type B Water Licences each have a daily water withdrawal limit of 299 m<sup>3</sup>/day. This is the maximum allowed for a Type B Licence. When CZN tendered a winter road construction contract last year, many contractors indicated that the water withdrawal limit was an impediment to winter road construction progress. As a result, CZN plans to apply for Type A Licences in order to increase the water withdrawal limit.

Water for winter road construction will be sourced from local lakes and streams. Each source has a defined limit in the Licences on the amount (lakes) or rate (streams) of withdrawal to



December 3, 2020

NDDDB

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### Follow-Up

Should you have any questions or concerns related to any of the above-mentioned applications, please contact us. Please note that, once the Board accepts our applications, there will also be many opportunities for you to provide comments as part of the Board's formal review process. If you wish to provide written comments to us, please do by letter or email. If you have no comments at this time, we would appreciate a written acknowledgement of our engagement, which also can be by letter or email.

Thank you.

Sincerely,

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David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc



February 13, 2020

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Naha Dehe Dene Band  
General Delivery  
Nahanni Butte, NT X0E 0N0

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When it obtained the operating permits in 2013, CZN had hoped to be in a position to move forward with commercial production by now. However, there were delays in the permitting of the all-season access road, consequently delaying the Company's ability to develop the Mine.

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Depending on the outcome of CZN's discussions with the GNWT, CZN may also apply to amend the Licence to be specific to decline water only.

February 13, 2020  
NDDB

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### **Follow-Up**

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Sincerely,



David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc



Parent of Canadian Zinc Corporation

December 3 2020

Naha Dehe Dene Band  
General Delivery  
Nahanni Butte, NT X0E 0N0

Dear Chief Darrell,

**Re: Applications to the Mackenzie Valley Land and Water Board  
New Operations Land Use Permit and Water Licence for Expanded Project and  
Changes to Effluent Criteria for Exploration Water Licence, Prairie Creek Mine**

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December 3, 2020

NDDDB

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### Follow-Up

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Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Harpley".

David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc

April 2, 2020  
Naha Dehé Dene Band  
General Delivery  
Nahanni Butte, NT

X0E 0N0

Chris Hotson  
Regulatory Manager  
Mackenzie Valley Land and Water Board  
7<sup>th</sup> Floor, 4922 48th St.  
PO Box 2130  
Yellowknife, NT. X1A 2P6

**Submitted via Email: [chotson@mvlwb.com](mailto:chotson@mvlwb.com)**

**Re: Canadian Zinc Permits**

Dear Sir,

Canadian Zinc wrote to us on February 13, 2020 to advise that they will be making applications to amend certain permits and apply for a new surface exploration permit. The details of the applications are as follows:

- LUP MV2019C0011 for underground exploration, application to change security payment requirement from 90 days after permit issue to before the undertaking;
- Licence MV2019L2-0006 for underground exploration, application to change security payment requirement from 90 days after permit issue to 9 months after permit issue;
- Replacement for LUP MV2013C0002 for surface exploration, which expires next month; and,
- Licences MV2014L8-0006 and PC2014L8-0006 for the all-season road, applications to change the Licences from Type B to Type A in order to allow more than 300 m<sup>3</sup>/day of water to be withdrawn from previously defined sources.



This letter is to confirm that Canadian Zinc has engaged with us on these applications and that we support the company submitting the applications to commence the regulatory process. We reserve our right to provide further comments during the subsequent formal review processes.

Sincerely,

A handwritten signature in black ink, appearing to read "Darrell Betsaka". The signature is fluid and cursive, with the first name "Darrell" and last name "Betsaka" clearly distinguishable.

Chief Darrell Betsaka  
Naha Dehé Dene Band

c. Chief Gerry Antoine  
Łíídljį Kųę First Nation

Dr. Kathy Racher

**Re: Road Type A WL's**

Elliot Holland <elliot.holland@imcprojects.ca>

Fri 2023-02-03 3:10 PM

To:David Harpley <David.Harpley@norzinc.com>

Cc:Claudine Lee <Claudine.Lee@norzinc.com>

David

On behalf of Naha Dehe Dene Band, I can confirm that NDDB is aware of these applications and will review them in detail when they are submitted to the MVLWB.

Best

Elliot

Elliot Holland  
Advisor to NDDB  
(867)446-0309

**Name of Proponent:**

Canadian Zinc (CZN)

**Name of Affected Party:**

Naha Dehe Dene Band (NDDB)

<b>Name(s) of representative(s) from affected party who participated in engagement</b>	<b>Name(s) of representative(s) from proponent who participated in engagement</b>	<b>Date</b>	<b>Reason(s) for Engagement</b>	<b>Overview of Issue(s) Resolved</b>	<b>Overview of Issue(s) Unresolved</b>
Chief Darrel Betsaka	David Harpley	Feb. 13, 2020	ASR Type A WL	Letter re Type A applications	
Chief Darrel Betsaka	David Harpley	Dec. 3, 2020	ASR Type A WL	Letter re Type A applications	
Chief Steve Vital	David Harpley	Jan. 31, 2023	ASR Type A WL	Letter re Type A applications	
Elliot Holland, NDDB technical rep.	David Harpley	Feb. 3, 2023	ASR Type A WL	Letter re Type A applications	

**Name & Signature of Proponent (representative):**

David Harpley



**Name & Signature of Affected Party (representative):**

### Pre-Submission Engagement Log

Date	Attendees	Engagement Activity Type	Issue(s) Raised by Affected Party	Recommendation from Affected Party	Proponent Response to Issue	Information Materials Provided?	Written Correspondence, meeting notes or minutes?
Feb. 13, 2020	Chief Darrel Betsaka	Letter to Chief	None	None	-	Y	Y
Dec. 3, 2020	Chief Darrel Betsaka	Letter to Chief	None	None	-	Y	Y
Jan. 31, 2023	Chief Steve Vital	Letter to Chief	None	None	-	Y	Y
Feb. 3, 2023	Elliot Holland, NDDB technical rep.	Email reply	None	None	-	N	Y

January 31, 2023

Chief Kele Antoine  
Liidlil Kue First Nation  
PO Box 469  
Fort Simpson, NT X0E 0N0

Dear Chief Kele,

**Re: Applications for Type A Water Licences, Prairie Creek Mine All Season Road**

Further to our letters of March 19, 2020 and December 3, 2020 (attached), this letter is to inform you that Canadian Zinc Corporation (CZN) intends to proceed with applications for Type A Water Licences for the all season road (ASR).

CZN already holds Type B Water Licences MV2014L8-0006 (territorial) and PC2014L8-0006 (park). These licences restrict daily water use from all sources to a maximum of 299 m<sup>3</sup>/day. This is the maximum allowed for a Type B Licence. When CZN tendered winter road construction contracts, many contractors indicated that the water withdrawal limit was an impediment to winter road construction progress.

CZN commenced Phase 1 winter road construction in December 2022. We found that the Type B daily water use limit proved to be an impediment to construction of an ice bridge over the Liard River. The contractor wanted to pump considerably more than the limit. In addition, we have found that winter road construction is challenged by a lack of snow. However, the use of snow making machines is not an option because of the water demand. We wish to rectify this situation for future winter roads, which will need to be suitable to carry supplies into the Mine, by acquiring Type A Water Licences.

In our applications for Type A Water Licences, we will be applying to raise the daily limit only. Each current Type B licence has a list of specific streams and lakes from which we can draw water. For the streams, we are only allowed to draw less than 10% of the instantaneous flow. For the lakes, we are only allowed to draw up to a total volume specific to each lake per winter season. We are not proposing to change those restrictions for the Type A licences. As such, environmental protection of the streams and lakes will be maintained as before.

For the territorial Type A licence, we will propose a daily limit of 2,000 m<sup>3</sup>/day. On December 1, 2021, the flow in the Liard River at the Fort Liard Station was recorded at 605 m<sup>3</sup>/sec. Assuming 10% of this, the daily volume would be over 5.2 million m<sup>3</sup>. The catchment area of the Liard River

at the Mine road crossing is much larger, hence the flow will be higher. As such, the river can easily sustain the proposed daily licence limit.

For the park Type A licence, we will propose a daily limit of 1,000 m<sup>3</sup>/day. On February 1, 2019 the flow in the Tetcela River at the road station was recorded at 0.232 m<sup>3</sup>/sec. Assuming 10% of this, the daily volume would be 2,004 m<sup>3</sup>. In addition, there are two large lakes in the park from which we can draw water.

We are available to answer any questions you may have.

Sincerely,  
CANADIAN ZINC CORPORATION



David P. Harpley  
VP Permitting



March 19, 2020

Chief Gerry Antoine  
Liidlil Kue First Nation  
PO Box 469  
Fort Simpson, NT X0E 0N0

Dear Chief Gerry,

**Re: Applications to the Mackenzie Valley Land and Water Board  
Exploration Permits and All Season Road, Prairie Creek Mine Project**

This letter is to provide you with details of Canadian Zinc Corporation's (CZN) proposed applications to the Mackenzie Valley Land and Water Board (the Board) including to amend or renew exploration permits relating to the Prairie Creek Mine (the Mine) site.

When it obtained the operating permits in 2013, CZN had hoped to be in a position to move forward with commercial production by now. However, there were delays in the permitting of the all-season access road, consequently delaying the Company's ability to develop the Mine.

Current capital markets are challenging and, as announced on February 4, 2020, the Company is seeking during 2020 to make the Mine more financially attractive via throughput enhancements. This will be assisted by the potential conversion of inferred resources into indicated resources through exploration drilling.

Details of the proposed applications are provided below.

**1. Underground Exploration (2<sup>nd</sup> Decline) Type A Land Use Permit**

LUP MV2012C0008 for underground exploration (2<sup>nd</sup> decline tunnel) was issued on May 10, 2012 for a term of five years, was extended for two years in May 2017, and expired on May 10, 2019. CZN did not develop a 2<sup>nd</sup> underground exploration decline tunnel, although MV2012C0008 was used in 2015 to conduct exploration drilling from the first decline tunnel.

The Company may still wish to develop a new decline in order to continue underground exploration of the Mine mineral deposit by conducting further drilling underground from the new decline, with the intention of further upgrading the mineral resources. For this reason, CZN applied for and obtained a new five-year LUP, MV2019C0011 on September 9, 2019.

The new LUP includes a condition requiring CZN to pay a security deposit of \$236,338 within 90 days of LUP issue. The amount represents a significant increase compared to MV2012C0008, which had a security amount of \$30,000. The increase is related to the Board's conclusion that

March 19, 2020

LKFN

CZN is currently responsible for the treatment of all water emanating from the Mine, and evidence provided by the Government of the Northwest Territories (GNWT) defining an increased security requirement related to this water.

Water emanating from the Mine, at the 870 m level portal, consists of 2 separate streams: one stream is water from the 1<sup>st</sup> decline delivered to the portal by a pipeline; the other is drainage from workings that pre-date CZN's tenure on the property. That tenure is based on an existing Surface Lease which limits CZN's current liabilities. Based on the Lease, CZN believes the Company is responsible for managing the decline water, but not the drainage from the pre-existing workings. For this reason, CZN does not agree with the increased security.

CZN wrote to the Board on November 27, 2019 to ask for a review of their September 9 decision, or deferral of the increase to allow CZN time to discuss this matter further with the GNWT (Lands) who are responsible for tenure of the land. In a letter dated December 17, 2019 the Board declined CZN's request for a review of the security, and advised that CZN will need to submit a request to change the timeline of the security increase in order to obtain a deferral.

Rather than submit a request to change the timeline of the security increase, CZN plans to apply for a change to the LUP so that the security need only be paid before the undertaking (2<sup>nd</sup> decline) proceeds. This in effect would be a deferral until such time that CZN wishes to use the LUP. This would also provide time for CZN to have discussions with the GNWT.

## **2. Underground Exploration (2<sup>nd</sup> Decline) Type B Water Licence**

Water Licence MV2001L2-0003 was issued on September 10, 2003 for development of the 1<sup>st</sup> underground decline. The Water Licence term was extended for the 2<sup>nd</sup> decline, but expired on September 9, 2019. A new Water licence, MV2019L2-0006 was issued on September 9, 2019. Similar to LUP MV2019C0011, the new Water Licence includes a condition requiring CZN to pay an increased security deposit within 90 days of Licence issue. The increased amount is \$210,648 compared to a previous amount of \$70,000.

CZN's November 27, 2019 letter to the Board also asked for a review of this decision or deferral of the increase. Similar to the LUP, the Board's December 17, 2019 reply declined CZN's request.

CZN cannot apply to change the Licence so that the security need only be paid before the undertaking because the Licence is currently being used to regulate the management of all mine water. However, CZN will apply for a change to the timeline of the security increase in order to obtain a deferral and provide time for CZN to discuss the matter (responsibility for managing water from the pre-existing mine workings) with the GNWT (Environment and Natural Resources). Since these discussions will require some time, we will request a deferral of approximately 3 months from the date of this letter. Therefore, we will apply to change the Licence to reflect payment of the security within 9 months of Licence issue.

Depending on the outcome of CZN's discussions with the GNWT, CZN may also apply to amend the Licence to be specific to decline water only.



March 19, 2020  
LKFN

### **3. Exploration Drilling Type A Land Use Permit**

CZN has held a land use permit (LUP) for normal course exploration diamond drilling at locations throughout the Prairie Creek mineral leases since May 2006. LUP MV2004C0030 was issued on May 11, 2006 and expired on May 10, 2013. LUP MV2013C0002 was issued on April 25, 2013 and expires on April 24, 2020.

CZN intends to apply for a new five-year LUP. This would continue to allow exploration drilling on the wider Prairie Creek property.

### **4. All Season Road Water Licence**

CZN obtained Type B Water Licences MV2014L8-0006 (territorial land), MV2019L8-0002 (IAB Lands) and PC2014L8-0006 (Nahanni National Park Reserve (NNPR) land) in November 2019 for construction and operation of an all season road. Road construction will start with a winter road, and will include subsequent winter roads in order to provide access for all season road construction.

The Type B Water Licences for territorial and NNPR lands each have a daily water withdrawal limit of 299 m<sup>3</sup>/day. This is the maximum allowed for a Type B Licence. When CZN tendered a winter road construction contract last year, many contractors indicated that the water withdrawal limit was an impediment to winter road construction progress. As a result, CZN plans to apply for Type A territorial and NNPR land Licences in order to increase the water withdrawal limit.

Water for winter road construction will be sourced from local lakes and streams. Each source has a defined limit in the Licences on the amount (lakes) or rate (streams) of withdrawal to protect aquatic life. We are not proposing to change those limits. Therefore, the plan to increase the daily water withdrawal limit will not alter the existing aquatic life protections.

### **Follow-Up**

Should you have any questions or concerns related to any of the above-mentioned applications, please contact us. We would appreciate it if you could confirm our engagement with you on these matters by providing a reply by letter or email. Thank you.

Sincerely,



David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc



Parent of Canadian Zinc Corporation

December 3 2020

Liidlil Kue First Nation  
PO Box 469  
Fort Simpson, NT X0E 0N0

Dear Chief Gerry,

**Re: Applications to the Mackenzie Valley Land and Water Board  
New Operations Land Use Permit and Water Licence for Expanded Project and  
Changes to Effluent Criteria for Exploration Water Licence, Prairie Creek Mine**

This letter is to provide you with details of Canadian Zinc Corporation's (CZN's) planned applications to the Mackenzie Valley Land and Water Board (the Board) for new long-term operating permits, and to amend effluent criteria in an existing exploration Water Licence. Details are provided below.

#### **Long-Term Operations Permits for an Expanded Project**

CZN plans to apply to the Board for a Land Use Permit (LUP) and long-term Water Licence (25 years) for an expanded Prairie Creek Mine (the Mine). Projected mine capital and operating costs have increased over time, and so we have had to change our mine plan to make sure the project is profitable and thus 'financeable'.

The proposed expansion will consist of an increased mining rate, which will allow metal concentrates to be produced at a higher rate. The original mine life is expected to be maintained through further exploration drilling, which occurred recently and is planned to continue in 2021. This drilling is occurring within the existing inferred mineral resources which we expect to lead to an increase in the mineable reserves.

We will also be proposing some changes to the original operating Water Licence MV2008L2-002. These changes relate to improved wastewater management plans, the operation of larger temporary stockpiles, and a larger waste rock pile.

The Company recently discussed these proposed applications informally with regulators and representatives of a number of local First Nations, and provided an informal information package. An abbreviated version of the package is attached for your information. This letter is to formally notify you of the planned applications.

## Changes to Effluent Criteria for Exploration Water Licence MV2019L2-006

Water Licence MV2019L2-006 was issued on September 9, 2019 and regulates the development of a 2<sup>nd</sup> underground exploration decline, and the treatment and discharge of mine water. CZN has been treating mine water since 2006 when the 1<sup>st</sup> underground decline was initiated. That decline is currently flooded, and while it produces some water, the water does not require treatment to meet effluent limits in the Licence. Mine water from the other mine workings, developed by Cadillac Explorations prior to CZN's site tenure, requires treatment.

The main constituent in the mine water requiring treatment is zinc. The existing Licence contains an effluent limit for total zinc. Total zinc refers to the sum of the concentration of zinc dissolved in the water as well as the concentration of zinc in sediment particles in the water. CZN has had difficulty in removing sediment from the treated water, which has sometimes led to the total zinc concentration exceeding the effluent criterion in the Licence. CZN has been successful in lowering the dissolved zinc concentration.

Prior to 2018, the federal Canadian Council for Ministers of the Environment (CCME) maintained a total zinc guideline for the protection of aquatic life. In 2018, the CCME replaced the total zinc guideline with a new one for dissolved zinc. In doing this, the CCME signalled that it is the dissolved form of zinc that is important for protection, not the total form. Accordingly, CZN is planning to apply to the Board to change the zinc criterion in the Licence from total to dissolved, consistent with the CCME dissolved zinc guideline. This will not mean any reduction by CZN of water treatment efforts, only it should avoid exceedances of the Licence criterion which incorrectly associate total zinc with a reduction in aquatic life protection.

## All Season Road Water Licences

In the spring of this year, we advised you that CZN was planning to apply for a Type A Water Licences for the all season road (ASR) to replace the Type B Water Licences MV2014L8-0006 (territorial land) and PC2014L8-0006 (Nahanni National Park Reserve (NNPR) land). This is to advise you that we have not yet made these applications, but still plan to do so.

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December 3, 2020

LKFN

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Thank you.

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David P. Harpley  
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March 19, 2020

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March 19, 2020

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March 19, 2020  
LKFN

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David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc



Parent of Canadian Zinc Corporation

December 3 2020

Liidlil Kue First Nation  
PO Box 469  
Fort Simpson, NT X0E 0N0

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New Operations Land Use Permit and Water Licence for Expanded Project and  
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Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Harpley", is positioned above the printed name.

David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc

Road Type A Water Licences  
miningcoordinator@liidliikue.com  
To: David Harpley  
Cc: 'Dieter Cazon' <resources@liidliikue.com>

Wed 2023-02-01 12:55 PM

Hi David,

We are fine to wait to review the application when it is formally out for review.

Thanks,  
Trieneke

**Name of Proponent:**

Canadian Zinc (CZN)

**Name of Affected Party:**

Liidlil Kue First Nation (LKFN)

<b>Name(s) of representative(s) from affected party who participated in engagement</b>	<b>Name(s) of representative(s) from proponent who participated in engagement</b>	<b>Date</b>	<b>Reason(s) for Engagement</b>	<b>Overview of Issue(s) Resolved</b>	<b>Overview of Issue(s) Unresolved</b>
Chief Gerry Antoine	David Harpley	Mar. 19, 2020	ASR Type A WL	Letter re Type A applications	
Chief Gerry Antoine	David Harpley	Dec. 3, 2020	ASR Type A WL	Letter re Type A applications	
Chief Kele Antoine	David Harpley	Jan. 31, 2023	ASR Type A WL	Letter re Type A applications	
Trieneke Gastmeier, Technical Representative	David Harpley	Feb. 1, 2023	ASR Type A WL	Letter re Type A applications	

**Name & Signature of Proponent (representative):**

David Harpley



**Name & Signature of Affected Party (representative):**

### Pre-Submission Engagement Log

Date	Attendees	Engagement Activity Type	Issue(s) Raised by Affected Party	Recommendation from Affected Party	Proponent Response to Issue	Information Materials Provided?	Written Correspondence, meeting notes or minutes?
Mar. 19, 2020	Chief Gerry Antoine	Letter to Chief	None	None	-	Y	Y
Dec. 3, 2020	Chief Gerry Antoine	Letter to Chief	None	None	-	Y	Y
Jan. 31, 2023	Chief Kele Antoine	Letter to Chief	None	None	-	Y	Y
Feb. 1, 2023	Trieneke Gastmeier, Technical Representative	Email reply	None	None	-	N	Y

January 31, 2023

Sub-Chief Brenda Berrault  
Acho Dene Koe First Nation  
General Delivery  
Fort Liard, NT X0G 0A0

Dear Sub-Chief Brenda,

**Re: Applications for Type A Water Licences, Prairie Creek Mine All Season Road**

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For the territorial Type A licence, we will propose a daily limit of 2,000 m<sup>3</sup>/day. On December 1, 2021, the flow in the Liard River at the Fort Liard Station was recorded at 605 m<sup>3</sup>/sec. Assuming 10% of this, the daily volume would be over 5.2 million m<sup>3</sup>. The catchment area of the Liard River

at the Mine road crossing is much larger, hence the flow will be higher. As such, the river can easily sustain the proposed daily licence limit.

For the park Type A licence, we will propose a daily limit of 1,000 m<sup>3</sup>/day. On February 1, 2019 the flow in the Tetcela River at the road station was recorded at 0.232 m<sup>3</sup>/sec. Assuming 10% of this, the daily volume would be 2,004 m<sup>3</sup>. In addition, there are two large lakes in the park from which we can draw water.

We are available to answer any questions you may have.

Sincerely,  
CANADIAN ZINC CORPORATION



David P. Harpley  
VP Permitting



April 7, 2020

Chief Eugene Hope  
Acho Dene Koe First Nation  
General Delivery  
Fort Liard, NT X0G 0A0

Dear Chief Eugene,

**Re: Applications to the Mackenzie Valley Land and Water Board  
Exploration Permits and All Season Road, Prairie Creek Mine Project**

This letter is to provide you with details of Canadian Zinc Corporation's (CZN) proposed applications to the Mackenzie Valley Land and Water Board (the Board) including to amend or renew exploration permits relating to the Prairie Creek Mine (the Mine) site.

When it obtained the operating permits in 2013, CZN had hoped to be in a position to move forward with commercial production by now. However, there were delays in the permitting of the all-season access road, consequently delaying the Company's ability to develop the Mine.

Current capital markets are challenging and, as announced on February 4, 2020, the Company is seeking during 2020 to make the Mine more financially attractive via throughput enhancements. This will be assisted by the potential conversion of inferred resources into indicated resources through exploration drilling.

Details of the proposed applications are provided below.

**1. Underground Exploration (2<sup>nd</sup> Decline) Type A Land Use Permit**

LUP MV2012C0008 for underground exploration (2<sup>nd</sup> decline tunnel) was issued on May 10, 2012 for a term of five years, was extended for two years in May 2017, and expired on May 10, 2019. CZN did not develop a 2<sup>nd</sup> underground exploration decline tunnel, although MV2012C0008 was used in 2015 to conduct exploration drilling from the first decline tunnel.

The Company may still wish to develop a new decline in order to continue underground exploration of the Mine mineral deposit by conducting further drilling underground from the new decline, with the intention of further upgrading the mineral resources. For this reason, CZN applied for and obtained a new five-year LUP, MV2019C0011 on September 9, 2019.

The new LUP includes a condition requiring CZN to pay a security deposit of \$236,338 within 90 days of LUP issue. The amount represents a significant increase compared to MV2012C0008, which had a security amount of \$30,000. The increase is related to the Board's conclusion that



April 7, 2020  
ADKFN

CZN is currently responsible for the treatment of all water emanating from the Mine, and evidence provided by the Government of the Northwest Territories (GNWT) defining an increased security requirement related to this water.

Water emanating from the Mine, at the 870 m level portal, consists of 2 separate streams: one stream is water from the 1<sup>st</sup> decline delivered to the portal by a pipeline; the other is drainage from workings that pre-date CZN's tenure on the property. That tenure is based on an existing Surface Lease which limits CZN's current liabilities. Based on the Lease, CZN believes the Company is responsible for managing the decline water, but not the drainage from the pre-existing workings. For this reason, CZN does not agree with the increased security.

CZN wrote to the Board on November 27, 2019 to ask for a review of their September 9 decision, or deferral of the increase to allow CZN time to discuss this matter further with the GNWT (Lands) who are responsible for tenure of the land. In a letter dated December 17, 2019 the Board declined CZN's request for a review of the security, and advised that CZN will need to submit a request to change the timeline of the security increase in order to obtain a deferral.

Rather than submit a request to change the timeline of the security increase, CZN plans to apply for a change to the LUP so that the security need only be paid before the undertaking (2<sup>nd</sup> decline) proceeds. This in effect would be a deferral until such time that CZN wishes to use the LUP. This would also provide time for CZN to have discussions with the GNWT.

## **2. Underground Exploration (2<sup>nd</sup> Decline) Type B Water Licence**

Water Licence MV2001L2-0003 was issued on September 10, 2003 for development of the 1<sup>st</sup> underground decline. The Water Licence term was extended for the 2<sup>nd</sup> decline, but expired on September 9, 2019. A new Water licence, MV2019L2-0006 was issued on September 9, 2019. Similar to LUP MV2019C0011, the new Water Licence includes a condition requiring CZN to pay an increased security deposit within 90 days of Licence issue. The increased amount is \$210,648 compared to a previous amount of \$70,000.

CZN's November 27, 2019 letter to the Board also asked for a review of this decision or deferral of the increase. Similar to the LUP, the Board's December 17, 2019 reply declined CZN's request.

CZN cannot apply to change the Licence so that the security need only be paid before the undertaking because the Licence is currently being used to regulate the management of all mine water. However, CZN will apply for a change to the timeline of the security increase in order to obtain a deferral and provide time for CZN to discuss the matter (responsibility for managing water from the pre-existing mine workings) with the GNWT (Environment and Natural Resources). Since these discussions will require some time, we will request a deferral of approximately 3 months from the date of this letter. Therefore, we will apply to change the Licence to reflect payment of the security within 9 months of Licence issue.

Depending on the outcome of CZN's discussions with the GNWT, CZN may also apply to amend the Licence to be specific to decline water only.

April 7, 2020  
ADKFN

### **3. Exploration Drilling Type A Land Use Permit**

CZN has held a land use permit (LUP) for normal course exploration diamond drilling at locations throughout the Prairie Creek mineral leases since May 2006. LUP MV2004C0030 was issued on May 11, 2006 and expired on May 10, 2013. LUP MV2013C0002 was issued on April 25, 2013 and expires on April 24, 2020.

CZN intends to apply for a new five-year LUP. This would continue to allow exploration drilling on the wider Prairie Creek property.

### **4. All Season Road Water Licence**

CZN obtained Type B Water Licences MV2014L8-0006 (territorial land), MV2019L8-0002 (IAB Lands) and PC2014L8-0006 (Nahanni National Park Reserve (NNPR) land) in November 2019 for construction and operation of an all season road. Road construction will start with a winter road, and will include subsequent winter roads in order to provide access for all season road construction.

The Type B Water Licences for territorial and NNPR lands each have a daily water withdrawal limit of 299 m<sup>3</sup>/day. This is the maximum allowed for a Type B Licence. When CZN tendered a winter road construction contract last year, many contractors indicated that the water withdrawal limit was an impediment to winter road construction progress. As a result, CZN plans to apply for Type A territorial and NNPR land Licences in order to increase the water withdrawal limit.

Water for winter road construction will be sourced from local lakes and streams. Each source has a defined limit in the Licences on the amount (lakes) or rate (streams) of withdrawal to protect aquatic life. We are not proposing to change those limits. Therefore, the plan to increase the daily water withdrawal limit will not alter the existing aquatic life protections.

### **Follow-Up**

Should you have any questions or concerns related to any of the above-mentioned applications, please contact us. We would appreciate it if you could confirm our engagement with you on these matters by providing a reply by letter or email. A letter reply was received from the Naha Dehe Dene Bend, of copy of which is attached. Thank you.

Sincerely,



David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc

April 2, 2020  
Naha Dehé Dene Band  
General Delivery  
Nahanni Butte, NT

X0E 0N0

Chris Hotson  
Regulatory Manager  
Mackenzie Valley Land and Water Board  
7<sup>th</sup> Floor, 4922 48th St.  
PO Box 2130  
Yellowknife, NT. X1A 2P6

**Submitted via Email: [chotson@mvlwb.com](mailto:chotson@mvlwb.com)**

**Re: Canadian Zinc Permits**

Dear Sir,

Canadian Zinc wrote to us on February 13, 2020 to advise that they will be making applications to amend certain permits and apply for a new surface exploration permit. The details of the applications are as follows:

- LUP MV2019C0011 for underground exploration, application to change security payment requirement from 90 days after permit issue to before the undertaking;
- Licence MV2019L2-0006 for underground exploration, application to change security payment requirement from 90 days after permit issue to 9 months after permit issue;
- Replacement for LUP MV2013C0002 for surface exploration, which expires next month; and,
- Licences MV2014L8-0006 and PC2014L8-0006 for the all-season road, applications to change the Licences from Type B to Type A in order to allow more than 300 m<sup>3</sup>/day of water to be withdrawn from previously defined sources.

This letter is to confirm that Canadian Zinc has engaged with us on these applications and that we support the company submitting the applications to commence the regulatory process. We reserve our right to provide further comments during the subsequent formal review processes.

Sincerely,

A handwritten signature in black ink, appearing to read "Darrell Betsaka". The signature is fluid and cursive, with the first name "Darrell" and last name "Betsaka" clearly distinguishable.

Chief Darrell Betsaka  
Naha Dehé Dene Band

c. Chief Gerry Antoine  
Łíídljį Kųę First Nation

Dr. Kathy Racher



Parent of Canadian Zinc Corporation

December 3 2020

Chief Eugene Hope  
Acho Dene Koe First Nation  
General Delivery  
Fort Liard, NT X0G 0A0

Dear Chief Eugene,

**Re: Applications to the Mackenzie Valley Land and Water Board  
New Operations Land Use Permit and Water Licence for Expanded Project and  
Changes to Effluent Criteria for Exploration Water Licence, Prairie Creek Mine**

This letter is to provide you with details of Canadian Zinc Corporation's (CZN's) planned applications to the Mackenzie Valley Land and Water Board (the Board) for new long-term operating permits, and to amend effluent criteria in an existing exploration Water Licence. Details are provided below.

#### **Long-Term Operations Permits for an Expanded Project**

CZN plans to apply to the Board for a Land Use Permit (LUP) and long-term Water Licence (25 years) for an expanded Prairie Creek Mine (the Mine). Projected mine capital and operating costs have increased over time, and so we have had to change our mine plan to make sure the project is profitable and thus 'financeable'.

The proposed expansion will consist of an increased mining rate, which will allow metal concentrates to be produced at a higher rate. The original mine life is expected to be maintained through further exploration drilling, which occurred recently and is planned to continue in 2021. This drilling is occurring within the existing inferred mineral resources which we expect to lead to an increase in the mineable reserves.

We will also be proposing some changes to the original operating Water Licence MV2008L2-002. These changes relate to improved wastewater management plans, the operation of larger temporary stockpiles, and a larger waste rock pile.

The Company recently discussed these proposed applications informally with regulators and representatives of a number of local First Nations, and provided an informal information

December 3, 2020  
ADKFN

package. An abbreviated version of the package is attached for your information. This letter is to formally notify you of the planned applications.

### **Changes to Effluent Criteria for Exploration Water Licence MV2019L2-006**

Water Licence MV2019L2-006 was issued on September 9, 2019 and regulates the development of a 2<sup>nd</sup> underground exploration decline, and the treatment and discharge of mine water. CZN has been treating mine water since 2006 when the 1<sup>st</sup> underground decline was initiated. That decline is currently flooded, and while it produces some water, the water does not require treatment to meet effluent limits in the Licence. Mine water from the other mine workings, developed by Cadillac Explorations prior to CZN's site tenure, requires treatment.

The main constituent in the mine water requiring treatment is zinc. The existing Licence contains an effluent limit for total zinc. Total zinc refers to the sum of the concentration of zinc dissolved in the water as well as the concentration of zinc in sediment particles in the water. CZN has had difficulty in removing sediment from the treated water, which has sometimes led to the total zinc concentration exceeding the effluent criterion in the Licence. CZN has been successful in lowering the dissolved zinc concentration.

Prior to 2018, the federal Canadian Council for Ministers of the Environment (CCME) maintained a total zinc guideline for the protection of aquatic life. In 2018, the CCME replaced the total zinc guideline with a new one for dissolved zinc. In doing this, the CCME signalled that it is the dissolved form of zinc that is important for protection, not the total form. Accordingly, CZN is planning to apply to the Board to change the zinc criterion in the Licence from total to dissolved, consistent with the CCME dissolved zinc guideline. This will not mean any reduction by CZN of water treatment efforts, only it should avoid exceedances of the Licence criterion which incorrectly associate total zinc with a reduction in aquatic life protection.

### **All Season Road Water Licences**

In the spring of this year, we advised you that CZN was planning to apply for a Type A Water Licences for the all season road (ASR) to replace the Type B Water Licences MV2014L8-0006 (territorial land) and PC2014L8-0006 (Nahanni National Park Reserve (NNPR) land). This is to advise you that we have not yet made these applications, but still plan to do so.

The Type B Water Licences each have a daily water withdrawal limit of 299 m<sup>3</sup>/day. This is the maximum allowed for a Type B Licence. When CZN tendered a winter road construction contract last year, many contractors indicated that the water withdrawal limit was an impediment to winter road construction progress. As a result, CZN plans to apply for Type A Licences in order to increase the water withdrawal limit.

December 3, 2020

ADKFN

Water for winter road construction will be sourced from local lakes and streams. Each source has a defined limit in the Licences on the amount (lakes) or rate (streams) of withdrawal to protect aquatic life. We are not proposing to change those limits. Therefore, the plan to increase the daily water withdrawal limit will not alter the existing aquatic life protections.

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Should you have any questions or concerns related to any of the above-mentioned applications, please contact us. Please note that, once the Board accepts our applications, there will also be many opportunities for you to provide comments as part of the Board's formal review process. If you wish to provide written comments to us, please do by letter or email. If you have no comments at this time, we would appreciate a written acknowledgement of our engagement, which also can be by letter or email.

Thank you.

Sincerely,



David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc





April 7, 2020

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Acho Dene Koe First Nation  
General Delivery  
Fort Liard, NT X0G 0A0

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April 7, 2020  
ADKFN

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April 7, 2020  
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Sincerely,



David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc

April 2, 2020  
Naha Dehé Dene Band  
General Delivery  
Nahanni Butte, NT

X0E 0N0

Chris Hotson  
Regulatory Manager  
Mackenzie Valley Land and Water Board  
7<sup>th</sup> Floor, 4922 48th St.  
PO Box 2130  
Yellowknife, NT. X1A 2P6

**Submitted via Email: [chotson@mvlwb.com](mailto:chotson@mvlwb.com)**

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Chief Darrell Betsaka  
Naha Dehé Dene Band

c. Chief Gerry Antoine  
Łíídljį Kųę First Nation

Dr. Kathy Racher



Parent of Canadian Zinc Corporation

December 3 2020

Chief Eugene Hope  
Acho Dene Koe First Nation  
General Delivery  
Fort Liard, NT X0G 0A0

Dear Chief Eugene,

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New Operations Land Use Permit and Water Licence for Expanded Project and  
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December 3, 2020  
ADKFN

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December 3, 2020

ADKFN

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### Follow-Up

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Thank you.

Sincerely,



David P. Harpley  
VP Environment and Permitting Affairs

cc Don MacDonald, CEO, NorZinc

## Follow-up on ASR Type A Water Licence

Acho Dene Koe Lands <lands@adkfirstnation.ca>

Tue 2023-02-07 1:26 PM

To: David Harpley <David.Harpley@norzinc.com>

Cc: Claudine Lee <Claudine.Lee@norzinc.com>; Acho Dene Koe Administration  
<administration@adkfirstnation.ca>; Scott Mackay (scott.mackay@sharedvaluesolutions.com)  
<scott.mackay@sharedvaluesolutions.com>

Good Afternoon David,

Thank you for meeting with Morgan and I today to discuss NorZinc's plans to apply for a Type A water licence for the ASR. This licence is necessary based on a potential for greater than anticipated water demands (under the existing Type B Water Licence) during the construction phase. As a result, the existing Type B licence which limits use to 299 m3/day may present a barrier to construction if winter conditions are not ideal during the construction phase. As noted, it is too early in the process to identify technical concerns, however, we will review the application documents once available and re-engage with you to work to resolve issues as they arise.

Thank you again for your time.

Kind regards,

Mark

**Mark MacDougall**  
Lands Manager

### **Acho Dene Koe First Nation**

Lands Office (Contracted):

**Shared Value Solutions**

62 Baker Street

Guelph, Ontario

N1H 4G1

Email: [lands@adkfirstnation.ca](mailto:lands@adkfirstnation.ca)

Local: 226-706-8888

Toll Free: 1-866-293-9042

Fax: 226-314-1200

First Nation Office:

General Delivery

Fort Liard, NT X0G 0A0



Website: [www.adkfirstnation.ca](http://www.adkfirstnation.ca)



**Name of Proponent:**

**Canadian Zinc (CZN)**

---

**Name of Affected Party:**

**Acho Dene Koe First Nation (ADKFN)**

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<b>Name(s) of representative(s) from affected party who participated in engagement</b>	<b>Name(s) of representative(s) from proponent who participated in engagement</b>	<b>Date</b>	<b>Reason(s) for Engagement</b>	<b>Overview of Issue(s) Resolved</b>	<b>Overview of Issue(s) Unresolved</b>
Chief Gene Hope	David Harpley	Apr. 7, 2020	ASR Type A WL	Letter re Type A applications	
Chief Gene Hope	David Harpley	Dec. 3, 2020	ASR Type A WL	Letter re Type A applications	
Sub-Chief Berrault	David Harpley	Dec. 3, 2020	ASR Type A WL	Letter re Type A applications	
Mark MacDougall, Technical Rep.	David Harpley	Feb. 7, 2023	ASR Type A WL	Letter re Type A applications	
Mark MacDougall, Technical Rep.	David Harpley	Feb. 7, 2023	ASR Type A WL	Letter re Type A applications	

**Name & Signature of Proponent (representative):**

David Harpley

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**Name & Signature of Affected Party (representative):**

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### Pre-Submission Engagement Log

Date	Attendees	Engagement Activity Type	Issue(s) Raised by Affected Party	Recommendation from Affected Party	Proponent Response to Issue	Information Materials Provided?	Written Correspondence, meeting notes or minutes?
Apr. 7, 2020	Chief Gene Hope	Letter to Chief	None	None	-	Y	N
Dec. 3, 2020	Chief Gene Hope	Letter to Chief	None	None	-	Y	N
Dec. 3, 2020	Sub-Chief Berrault	Letter to Chief	None	None	-	Y	N
Feb. 7, 2023	Mark MacDougall, Technical Rep.	Meeting	Questions related to the need for a higher daily water use limit	None	-	N	N
Feb. 7, 2023	Mark MacDougall, Technical Rep.	Email reply	None	None	-	N	Y