Fax

To: [Signature]
From: [Signature]
Fax: 867-873-6610
Phone: 867-602-2900
Date: Nov. 14/9
Page: 4

Re: LETTER
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Comments:

RE: PRAIRIE CREEK MINE WINTER ROAD

THIS LETTER IS FROM CHIEF BETSANA FOR THE CHAIRPERSON
14 November 2019

Mavis Ci-Michaud
Chairperson,
Mackenzie Valley Land and Water Board
7th Floor, 4922 48th St.
PO Box 2130
Yellowknife, NT
X1A 2P6

Jonathan Teetso
Nahanni National Park Reserve
Parks Canada
PO Box 348
Fort Simpson NT
X0E 0N0

Dear Madam/Sir:

Re: Prairie Creek Mine Winter Road Approval

The Nah?e Deh?e Dene Band ("NDDB") applauds the Mackenzie Valley Land and Water Board ("MVLWB") decision to approve a Land Use Permit and Water License for an All-Season Road ("ASR") to the Prairie Creek Mine, under development by Canadian Zinc Corporation ("CZN"), a subsidiary of NorZinc Ltd ("NZC").

In January 2019, NDDB and NZC announced the signing of a Traditional Land Use Agreement ("TLUA") with the NDDB for the construction and operation of the ASR. Under this agreement, NZC recognizes and respects that the ASR is located in the traditional territory of the NDDB and, in return, NDDB acknowledges NorZinc's interest in the development and future operation of the Prairie Creek Mine. The TLUA delivers a framework such that training, employment and business contracts are available to NDDB and to assure the mutual benefit to both parties.
The TLUA and the IBA strengthen the relationship between NDDB and NorZinc. NDDB and NorZinc have established a committee to oversee implementation of the Agreement, and to support NDDB liaison roles to gain employment and business capacity for the benefit of NDDB Members and NDDB Businesses. The Company has also agreed to make annual contributions to an educational fund to encourage NDDB Members to reach their career aspiration goals with higher education.

As you may know, the NDDB and the Llilil K'îy First Nation ("LKFN") recently formed a joint venture in order to build a winter road into the Prairie Creek Mine on behalf of CZN this coming winter. The joint venture is referred to as NDLK Development LP ("NDLKDLP"). A construction contractor has been selected by NDLKDLP and we are presently making plans to be ready to commence work.

CZN has informed us that today's issuance of a Land Use Permit and Water License to CZN will allow initial mobilization of a construction contractor and the construction of an ice bridge across the Liard River to make preparations for a winter road along the ASR route. This represents a major step forward for the project and NDDB supports the MVLWB's decision.

However, CZN has also informed us that associated Parks Canada permits for the portion of this winter's planned construction with the Nahanni National Park Reserve, and MVLWB approval of associated environmental management plans, remain outstanding. CZN has further indicated that these approvals are required as soon as possible to allow winter road construction to proceed as planned. Should that these approvals be delayed, CZN have said that they will have to seek an alternative development schedule that will impede the development of the Prairie Creek Mine and the resulting benefits to NDDB.

As well, our community has substantively agreed to an Environmental Management Agreement with CZN and LKFN that provides mechanisms to address any concerns they may have regarding the effects of the proposed road on the lands and the environment, including Dene-led independent monitoring. While this agreement has not yet been signed, we have been discussing plans for the road with CZN throughout the year. In July and August our consultants reviewed draft management plans and provided CZN with comments. In August community members from NDDB and LKFN provided CZN with advice based on traditional and ecological knowledge and participated in fieldwork along the road corridor to ensure heritage resources are protected. NDLK will be employing Dene Monitors to ensure the road is built and operated properly.*
We are satisfied that CZN has undertaken the necessary engagements, sufficiently incorporated traditional knowledge and made suitable commitments to allow the winter road to be built.

We understand that LKFN and CZN are still working to address other accommodations and we encourage them to resolve these issues prior to the start of construction of the ASR. However, it is important to recognize that the winter road development is within the traditional territory of the NDBD and will result in significant benefits for the community, including employment and other benefits. Therefore, we respectfully ask that this project not be jeopardized and that you issue the necessary approvals at your earliest opportunity, so that construction can proceed as planned.

If there is anything further, we can do to assist the process or if you wish to discuss in greater detail, please feel free to contact our legal advisor, Greg Empson.

Sincerely,

[Signature]

Chief Darnell Betsaka
Nah?a Dehé Dene Band

cc: Chief Gerald Antoine, LKFN
    Don MacDonald, President & CEO, NorZinc Ltd