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MVLWB Work Plan for the Canadian Zinc Corp – Prairie Creek Mine
Type A Mining and Milling Renewal Applications
Land Use Permit MV2020D0007
Water Licence MV2020L2-0003

Purpose of the Work Plan

To outline the processes and timelines to be followed for the Type A Mining and Milling Renewal Applications for Land Use Permit (Permit) MV2020D0007 and Water Licence (Licence) MV2020L2-0003 for Canadian Zinc Corp (CZN)'s Prairie Creek Mine.

Background

On May 13, 2020, CZN applied to renew its Type A Mining and Milling authorizations including Permit MV2008D0014 and Licence MV2008L2-0002 and replace them with Permit MV2020D0007 and Licence MV2020L2-0003. On May 21, 2020, the Mackenzie Valley Land and Water Board (MVLWB or the Board) deemed the Applications complete. Given the scope of the renewal would result in an alteration solely to the terms of the authorizations, Board staff reached out to reviewers to seek input on whether a technical session would be necessary. The majority of reviewers have indicated that a technical session would not be necessary at this time. Therefore, the work plan reflects a timeline without technical sessions. However, a technical workshop has been included in the timeline to provide time for technical concerns to be discussed with CZN in a less formal environment. Information Requests were not generated from the technical workshop. However, an Information Request regarding security estimate was generated from written submissions that requires public review. Therefore, the work plan reflects a timeline for Information Request deadlines and review period for the Information Request regarding security estimates. As there are no identified intervenors on or before the tenth day before the scheduled hearing, and CZN has also indicated in writing they do not need to appear in person before the Board, the Board has cancelled the Public Hearing. Version 3 of the Work Plan has removed items associated with the Public Hearing.

Scope of the Project

The scope of this Project includes use of water, dewatering of the underground mine, and deposit of waste for mining and milling activities at the Prairie Creek Mine such as construction and operation of an underground mine and its associated surface mine facilities, and the progressive reclamation and associated closure and reclamation activities.

Guiding Principles

The following principles will guide the Work Plan of the MVLWB throughout this permitting and licencing processes:

- The processes shall be carried out in a timely manner and shall have regard to the protection of the environment in consideration of the impacts of the proposed undertaking and the importance of conservation to the wellbeing and way of life of the Aboriginal peoples of Canada (Section 35 of the *Constitution Act, 1982*);

- The Board will review CZN’s renewal Applications and consider potential changes to Licence or Permit conditions based on the evidence and rational submitted by the company or any other party;
- The Board may also consider changes it considers appropriate to meet its mandate, applicable policies, and to ensure consistency in decision-making throughout the Mackenzie Valley; and
- The Board will actively continue to ensure compliance with existing Permit and Licence requirements.

Work Plan Objectives

The Work Plan is to achieve the following objectives:

- Compile a broad range of input through the review processes;
- Ensure adequate information is gathered to complete the permitting and licensing processes; and
- Facilitate a thorough, inclusive, and timely permit and licence review processes.

Opportunities for Community Engagement

- The Board required CZN to engage with communities and Aboriginal organizations regarding the Permit and Licence Applications prior to its submissions;
- The Board will distribute the Applications to reviewers – including Aboriginal organizations, governments, and communities – for review using the Land and Water Board Online Review System;
- The Board will include a notification(s) regarding the review process in the newspaper;
- The Board will hold a public hearing and provide notice to the public of this, in advance, in the newspaper; and
- The Board will hold any other consultation or engagement activity that the Board considers appropriate.

Materials Circulated for Comment by Parties

During the course of these proceedings, Board staff will review all evidence filed by the parties. These efforts are intended to identify issues or concerns which must be addressed in the Permit or Licence and to resolve them, if possible, before the close of the proceedings. In order to focus these discussions, staff will update and re-circulate a draft of the Permit and Licence for comment. This process allows parties to prepare arguments setting out their positions with respect to these provisions at the close of the proceedings.

These staff efforts to develop and circulate a draft Permit and Licence should focus discussion on appropriate terms and conditions for the authorization. The Board is not bound by the contents of any of these draft materials and will make its decision at the close of the proceedings on the basis of all the evidence and arguments filed by all parties.

The table on the following page sets out the main process steps in the Board’s Work Plan and indicates the responsible party for each, as well as the anticipated completion date for each item.

Regulatory Process Timelines

Table 1 below sets out the regulatory process tasks and timelines. Subsection 22(2) of the Mackenzie Valley Land Use Regulations requires the MVLWB to make a decision on the land use permit application within a period of 42 days after receipt of the complete application. On June 25, 2020, the Board invoked paragraph 22(2)(b) of the Mackenzie Valley Land Use Regulations to allow for additional time to gather information in conjunction with the associated Type A Water Licence Renewal Application. Subsection 47(1) of the *Waters Act* requires the MVLWB to make a decision on a water licence application within a period of nine months after the day on which an application is deemed complete and the review process begins. Based on section

28 of the *Federal Interpretation Act*, this is equivalent to 275 calendar days. The MVLWB Day Count stops whenever the Board requires the Proponent to provide information for the regulatory process to continue (signified by the red shading in the table below). Once that information has been provided, the MVLWB Day Count resumes (signified by the green shading in the table below). Significant milestones have also been bolded in the table below.

Table 1: Regulatory process timeline

Item #	Task	Responsible Party	MVLWB Day Count (275 Max)	Due Date (Date Completed)
1	Application Submitted	Proponent	0	13-May-20
2	Application deemed complete	MVLWB staff	0	21-May-20
3	Application sent out for review	MVLWB staff	0	21-May-20
4	Reviewer comments due on Application	Reviewers	21	11-Jun-20
5	Proponent responses to Reviewer comments on Application	Proponent	21	18-Jun-20
6	Technical Workshop Day 1 and 2 (two half days)	All Parties	46	13-Jul-20
			47	14-Jul-20
7	Deadline for Interventions	Interveners	84	20-Aug-20
8	Circulate Information Request Re Security	MVLWB staff	84	1-Sep-20
9	Proponent response to Interventions	Proponent	84	3-Sep-20
10	Deadline for Proponent response to Information Request Re Security	Proponent	84	16-Sep-20
11	Circulate Response to Information Request Re Security	MVLWB staff	85	17-Sep-20
12	Reviewer comments due on response to Information Request Re Security	Reviewers	99	1-Oct-20
13	Proponent responses due on reviewer comments on responses to Information Request Re Security	Proponent	99	8-Oct-20
14	Circulate Draft Licence	MVLWB staff	104	13-Oct-20
15	Reviewer comments due on Draft Licence	Reviewers	118	27-Oct-20
16	Proponent response to reviewer comments on Draft Licence	Proponent	118	3-Nov-20
17	Deadline for Closing Arguments from Reviewers	Reviewer	133	18-Nov-20
18	Deadline for Closing Arguments from Proponent	Proponent	133	25-Nov-20
19	Board decision on Application	MVLWB	TBD	Dec-20
20	Water Licence sent to the GNWT Minister for review	Board staff	TBD	Jan-21
21	Final decision from the GNWT Minister	Minister	Up to 90 days	Apr-21

Please note that the Work Plan has been created based on the information available and is subject to change at any time.