



7th Floor - 4922 48th Street,
P.O. Box 2130, Yellowknife NT X1A 2P6

Tel: 867-669-0506 Fax: 867-873-6610
www.mvlwb.com

Staff Report

Applicant: Canadian Zinc Corporation	
Location: Prairie Creek Mine All Season Road – Liard Highway to Prairie Creek Mine, NT	File Number: MV2014F0013, MV2014L8-0006, MV2019L8-0002
Date Prepared: March 26, 2020	Date of Board Meeting: April 30, 2020
Subject: Closure and Reclamation Plan Extension Request	

1. Purpose

The purpose of this Report is to present to the Mackenzie Valley Land and Water Board (MVLWB/the Board) an Extension Request made by Canadian Zinc Corporation (CZN) to the submission deadline for the Closure and Reclamation Plan, required as per condition 109 of Land Use Permit MV2014F0013 (Permit), Part H, condition 1 of Water Licence MV2014L8-0006, and Part G, condition 1 of Water Licence MV2019L8-0002.

2. Background

- November 13, 2019 – Issuance of Permit MV2014F0013, Licence MV2014L8-0006, and Licence MV2019L8-0002;
- February 11, 2020 – Closure and Reclamation Plan due;
- February 24, 2020 – Extension Request for the Closure and Reclamation Plan received;
- February 26, 2020 – Closure and Reclamation Plan Extension Request review commenced;
- March 18, 2020 – Reviewer comments and recommendations due and received;
- March 25, 2020 – Responses due and received; and
- **February 27, 2020 – Extension Request for the Closure and Reclamation Plan presented to the Board for decision.**

3. Discussion

On November 13, 2019, the Board issued Permit MV2014F0013, Licence MV2014L8-0006, and MV2019L8-0002 for CZN's Prairie Creek Mine All Season Road (ASR) Project (attached). The ASR crosses three jurisdictions including Nahanni National Park Reserve (NNPR), Territorial land, and Indian Affairs Branch (IAB) land (Federal). The authorizations for NNPR is administered by Parks Canada, while the Territorial and IAB lands are under the Board's jurisdiction. As the section of the ASR that the Board regulates is split interest, three authorizations are required: two Licences MV2014L8-0006 (Territorial) and MV2019L8-0002 (IAB lands), and one Permit MV2014F0013 (for both types of lands). The ASR Project is phased, where Phase 1 is for the construction and operation of a Winter Road to support the construction of the

ASR, conducting geotechnical investigation, and transporting equipment and material to the Prairie Creek Mine. Phase 2 is the construction of the ASR, and Phase 3 is the operation of the ASR.

At the time of issuance, the Board denied CZN's draft Closure and Reclamation Plan (CRP), which had been submitted with the Post-EA Information Package on February 20, 2019 (attached). As per condition 109 of Land Use Permit MV2014F0013, Part H, condition 1 of Water Licence MV2014L8-0006, and Part G, condition 1 of Water Licence MV2019L8-0002, CZN was required to resubmit the Closure and Reclamation Plan within 90 days following the effective date of the Permit and Licences. As the effective date of the Permit and Water Licences was November 13, 2019, CZN was required to resubmit the CRP by February 11, 2020. The Board did not receive CZN's CRP by February 11, 2020.

Extension Request

On February 24, 2020 CZN submitted an Extension Request to the Board for the CRP (attached). In the Extension Request, CZN referred to a previous announcement that had indicated that CZN would not be able to construct the Winter Road over the 2019-2020 winter, as had been previously planned (see News Release, attached). Given that the earliest CZN can start work to construct the Winter Road is next winter, CZN proposed a five month extension to the submission deadline of the CRP in their Extension Request.

4. Comments

No comments.

5. Public Review

By March 18, 2020, comments and recommendations on CZN's CRP Extension Request were received from the Government of the Northwest Territories, Department of Environment and Natural Resources (GNWT-ENR). CZN responded by March 25, 2020. The Review Summary and Attachments (attached) presents the concerns identified through this review.

GNWT-ENR noted that the Extension Request for the CRP submitted by CZN was submitted three weeks following the due date set by the Board, but still recommended that the Extension Request be approved (comment ID 1). GNWT-ENR also recommended that, in order to prevent further delays to the project while allowing sufficient time for the review, the revised CRP should be submitted as early as possible prior to the start of Phase 1 Winter Road construction (comment ID 2-3). CZN replied that the company believes the requested five month extension will provide enough time for review of the CRP (comment ID ENR 3).

Board staff note that CZN submitted the Extension Request just under two weeks following the due date of the CRP set by the Board, not three weeks following the due date as was indicated by GNWT-ENR in comment ID 1. Board staff suggest that the Board could include wording in the decision letter to CZN that reminds the company to submit any future necessary Extension Requests for the All Season Road Project prior to the due date set by the Board for the applicable document. Board staff note that, if the Board approves CZN's Extension Request for the Closure and Reclamation Plan, this will result in the Plan being due July 13, 2020. Board staff suggest that this should give adequate time for reviewers to review the Plan prior to Winter Road construction in the winter of 2020-2021.

6. Conclusion

Board staff conclude that there are no outstanding items with this Extension Request.

7. Recommendation

Board staff recommend the Board **make a motion to approve the five month Extension Request to the submission deadline for the Closure and Reclamation Plan** required as part of Land Use Permit MV2014F0013, Water Licence MV2014L8-0006, and Water Licence MV2019L8-0002.

A draft decision letter is attached. Board staff recommend the Board also remind CZN of the following:

- The Board notes that the Closure and Reclamation Plan was due to the Board on February 11, 2020, however Canadian Zinc Corporation Ltd. submitted the Extension Request on February 24, 2020. The Board reminds Canadian Zinc Corporation Ltd. to submit any future Extension Requests for the Prairie Creek All Season Road Project prior to the due date set by the Board for the applicable document.

8. Attachments

- [Permit MV2014F0013](#)
- [Licence MV2014L8-0006](#)
- [Licence MV2019L8-0002](#)
- [Draft Closure and Reclamation Plan submitted February 20, 2019](#)
- [CZN's Request for Extension to the Closure and Reclamation Plan](#)
- [CZN's News Release dated February 4, 2020](#)
- Review Summary and Attachments
- Draft Decision Letter from the Board

Respectfully submitted,



Kimberley Murray
Regulatory Specialist

Review Comment Table

Board:	MVLWB
Review Item:	Canadian Zinc Corporation - Prairie Creek All Season Road Project - Closure and Reclamation Plan Extension Request (MV2014F0013; MV2014L8-0006; MV2019L8-0002; PC2014F0013; and PC2014L8-0006)
File(s):	MV2014F0013 MV2014L8-0006 MV2019L8-0002 PC2014F0013 PC2014L8-0006
Proponent:	CanZinc Corporation
Document(s):	Request for Extension - Closure and Reclamation Plan (107.53 kb)
Item For Review Distributed On:	Feb 26 at 08:47 Distribution List
Reviewer Comments Due By:	Mar 18, 2020
Proponent Responses Due By:	Mar 25, 2020
Item Description:	<p>Canadian Zinc Corporation (CZN) has submitted a request to change the submission date for Closure and Reclamation Plan, which was due on February 11, 2020. This Plan is required under Part H, condition 1 of Water Licence MV2014L8-0006, Part G, condition 1 of Water Licence MV2019L8-0002, Condition 109 of MV2014F0013, Part H, condition 1 of PC2014L8-0006, and Condition 108 of PC2014F0013.</p> <p>Using the Online Review System (ORS), reviewers are invited to submit comments and recommendations on the documents linked below by the review comment deadline specified. Reviewers may also wish to consider providing an overarching recommendation regarding whether the Board should approve the submission, to provide context for the comments and recommendations and assist the Board with its decision. If reviewers seek clarification on the submission, they are encouraged to correspond directly with the Applicant prior to submitting comments and recommendations.</p> <p>All documents that have been uploaded to this review are also available on our public Registry. If you have any questions or comments about the ORS or this review, please contact Board staff identified below.</p>
Contact Information:	Jacqueline Ho 867-766-7455 Kim Murray (867) 766-7458

Comment Summary

GNWT - ENR - EAM (Environmental Assessment and Monitoring): Central Email GNWT				
ID	Topic	Reviewer Comment/Recommendation	Proponent Response	Board Staff Analysis
4	General File	Comment (doc) ENR Letter with Comments and Recommendations Recommendation		
1	Topic: CZN Request for Extension to Submit Closure and Reclamation Plan	Comment As per the Board's Reasons for Decision (November 7, 2019) for MV2014L8-0006, the draft Closure and Reclamation Plan was not approved, and was to be revised and re-submitted by February 5, 2020 for Board approval. On February 4, 2020, CZN announced that they are not able to construct the Phase 1 winter road using the ASR permits over the 2019-2020 winter season. As a result, CZN is requesting an extension to the Closure and Reclamation Plan submission deadline since the earliest CZN could contemplate a Phase 1 road is next winter (2020-2021). ENR notes that the request for extension was submitted on February 24, 2020, three weeks following the due date set by the Board. ENR notes that in order to prevent further delays to this project, and allow sufficient time for review, the revised Closure and Reclamation Plan should be submitted as early as possible. Recommendation 1) Given that the Phase 1 winter road has been delayed until next year, ENR recommends that the extension request be approved.	Mar 24: Noted.	Noted.
2	None	Comment None Recommendation 2) ENR	Mar 24: Noted.	Board staff note that a 5-month

		recommends that CZN submit the revised Closure and Reclamation Plan as early as possible prior to the start of Phase 1 winter road construction.		extension to the submission date of the Closure and Reclamation Plan would require the Plan to be due to the Board on July 13, 2020. This should give adequate time to review the Plan prior to winter road construction in 2020-2021.
3	None	Comment None Recommendation 3) ENR recommends that the Board allow sufficient time for review of this plan once it has been submitted.	Mar 24: We believe the requested 5 month extension will provide sufficient time for review of the plan.	Noted.



March 18, 2020

Jacqueline Ho
Regulatory Specialist
Mackenzie Valley Land and Water Board
7th Floor – 4910 50th Avenue
P.O. Box 2130
Yellowknife, NT
X1A 2P6

Dear Ms. Ho,

**Re: Canadian Zinc Corp. (CZN)
Water Licences – MV2014L8-0006 MV2019L8-0002 PC2014L8-0006
Land Use Permits – MV2014F0013 PC2014F0013
Prairie Creek All Season Road
Closure and Reclamation Plan Extension Request
Request for Comment**

The Department of Environment and Natural Resources (ENR), Government of the Northwest Territories has reviewed the request at reference based on its mandated responsibilities under the *Environmental Protection Act*, the *Forest Management Act*, the *Forest Protection Act*, the *Species at Risk (NWT) Act*, the *Waters Act* and the *Wildlife Act* and provides the following comments and recommendations for the consideration of the Board.

Topic 1: CZN Request for Extension to Submit Closure and Reclamation Plan

Comment(s):

As per the Board's Reasons for Decision (November 7, 2019) for MV2014L8-0006, the draft Closure and Reclamation Plan was not approved, and was to be revised and re-submitted by February 5, 2020 for Board approval. On February 4, 2020, CZN announced that they are not able to construct the Phase 1 winter road using the ASR permits over the 2019-2020 winter season. As a result, CZN is requesting an extension to the Closure and Reclamation Plan submission deadline since the

earliest CZN could contemplate a Phase 1 road is next winter (2020-2021). ENR notes that the request for extension was submitted on February 24, 2020, three weeks following the due date set by the Board.

ENR notes that in order to prevent further delays to this project, and allow sufficient time for review, the revised Closure and Reclamation Plan should be submitted as early as possible.

Recommendation(s):

- 1) Given that the Phase 1 winter road has been delayed until next year, ENR recommends that the extension request be approved.
- 2) ENR recommends that CZN submit the revised Closure and Reclamation Plan as early as possible prior to the start of Phase 1 winter road construction.
- 3) ENR recommends that the Board allow sufficient time for review of this plan once it has been submitted.

Comments and recommendations were provided by ENR technical experts in the Water Management and Monitoring Division and the Dehcho Region and were coordinated and collated by the Environmental Assessment and Monitoring Section (EAM), Environmental Stewardship and Climate Change Division.

Should you have any questions or concerns, please do not hesitate to contact Patrick Clancy, Environmental Regulatory Analyst at (867) 767-9233 Ext: 53096 or email patrick.clancy@gov.nt.ca.

Sincerely,



Patrick Clancy
Environmental Regulatory Analyst
Environmental Assessment and Monitoring Section
Environmental Stewardship and Climate Change Division
Department of Environment and Natural Resources
Government of the Northwest Territories