

Prairie Creek Mine Staging Area for Phase 1 Winter Road Engagement Plan

Introduction

CZN has had a regional presence in Fort Simpson for over a decade. CZN hired Wilbert Antoine as its Manager of Northern Development, based in Fort Simpson, in the summer of 2008. Mr. Antoine assumed the main community interaction function on behalf of CZN. CZN expects to maintain and expand its presence in the region to support development of the Prairie Creek project and for local community participation.

CZN concluded an Impact Benefits Agreement (IBA) in January 2011 with the Naha Dehe Dene Band (NDDB), and an IBA with the Liidlii Kue First Nation (LKFN) in June 2011 for the project which, at that time, was envisioned as a Mine serviced by a winter road. These IBA's include provisions for community liaison positions and multiple committee meetings each year to review the implementation of agreement provisions and mechanisms to address any community concerns. The IBA's will also apply to the All Season Road (ASR), of which the Phase 1 winter road is the first part.

During EA0809-002 for the Mine and winter road, CZN developed the concept of a Technical Advisory Committee (TAC) to provide a formal mechanism for engagement with Indigenous groups and to address concerns. A draft terms of reference for the TAC was provided in CZN's reply to the 2nd round of information requests. The scope of the TAC will be extended to broadly include the ASR.

Subsequent to the issue of the Report of EA for EA1415-01, CZN agreed to negotiate an Environmental Management Agreement (EMA) with the NDDB and LKFN to provide for the participation of the First Nations in all aspects of the ASR, including independent Dene monitoring. As further explained below, the EMA and TAC will provide the cornerstones of CZN's formal engagement for the ASR, while informal engagement via CZN's presence in the region will continue.

EMA

An EMA, which CZN is currently in advanced negotiations on with the NDDB and LKFN, will provide for the participation of the First Nations in the ASR development, including pre-construction planning and the development of management and monitoring plans, implementation of various measures recommended by the Review Board in the REA, the sharing and incorporation of Dene traditional knowledge and values into project design, and independent Dene monitoring of the environment and wildlife.

Implementation of the EMA will be overseen and managed by a Road Oversight Committee (ROC), composed of CZN, NDDB and LKFN representatives. The EMA has provisions such that the ROC can determine its' own terms of reference, by mutual consent, and make

adjustments to review and monitoring requirements as necessary. The ROC will appoint a coordinator to direct and manage independent environmental monitors. The ROC will meet approximately 3 times per year, or more or less frequently, as the situation dictates, again by mutual consent. Provisions are also made for feedback to the respective communities on an annual basis, via reporting and ‘town hall’ meetings. The schedule of ROC meetings is aligned with the TAC for efficiency. The intention is that the ROC will summarize implementation of the EMA and road operation results at the broader TAC meetings, at which other Indigenous groups will have the opportunity for review and consideration.

In the REA, Suggestion 15-4:

“The Review Board suggests that the mandate and activities of the TAC be expanded, such that the TAC can design and approve its own Terms of Reference, including consideration of:

- i. the frequency, objectives and scope of site visits; and
- ii. input into adaptive management frameworks including setting appropriate and protective action levels;
- iii. ways the TAC can support or compliment the Aboriginal monitoring initiatives referred to in Measure 15-4, such as:
 - o ensuring that Traditional Knowledge is collected and used appropriately,
 - o sharing resources, and
 - o providing a venue for addressing community concerns and reporting to communities.”

The EMA will include provisions addressing all of these requirements, and in so doing the EMA will effectively mean that the mandate and activities of the TAC will be expanded and Suggestion 15-4 will be fulfilled.

TLUA

CZN agreed to negotiate a Traditional Land Use Agreement (TLUA) with the NDDB. The TLUA will provide benefits to the NDDB in addition to those included in the IBA, in recognition of the additional impacts associated with the ASR. The TLUA delivers a framework such that preference for training, employment, business contracts, and community capacity programs are available to NDDB. The TLUA includes the establishment of 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 committee will also meet formally three times per year, on the same schedule as the EMA and TAC. Also similarly, at least annual community meetings to discuss the implementation of the TLUA are expected. The TLUA was signed on January 15, 2019 in Nahanni Butte with participation of NDDB Chief and Council, NDDB band members and CZN representatives.

Staging Area

The staging area will allow the staging of equipment on the north side of the Liard River in order to commence winter road construction in early winter without waiting for an ice bridge to cross

the river. CZN is discussing development plans for, and participation in the construction and operation of, the winter road with Indigenous Groups. These discussions are on-going on a weekly basis, and will continue throughout the Phase 1 road development period.