



Parent Company of Canadian Zinc

June 17, 2021

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

Dear Mr. Hotson:

**Re: [Draft Work Plan, Water Licence MV2021L2-0004, Prairie Creek Mine](#)**

We refer to the Mackenzie Valley Land and Water Board's (MVLWB's) draft work plan for processing of Water Licence (WL) MV2021L2-0004, and the MVLWB's request for comments on the plan by June 18, 2021. This letter provides Canadian Zinc Corporation's (CZN's) comments.

The current schedule shows the final decisions on the Water Licence are expected in the summer of 2022. As per the schedule provided in the Consolidated Project Description with our application, CZN intends to initiate construction activities in June 2022. These activities are critical to maintaining the project schedule for construction and start of mining in 2024 and as a result, the length of the permitting process may impact the feasibility of the project going ahead. Without WL issue before next summer, the project will be delayed by a year. Key activities related to the start of construction require financial and contract commitments many months in advance of the start of work. As such, we have reviewed the draft work plan, engaged with reviewers and potential interveners, and are providing an adjusted work plan below. We believe that this work plan considers the importance of maintaining the project schedule and provides for the necessary engagement at each stage of the permitting process.

We note that our application is not for a new project, rather it is for amendments to an existing WL, with a relatively limited number of amendments to certain conditions. As a result, the technical issues will be familiar to regulators, and less processing time should be required.

We believe the keys to advancing the schedule are for CZN to engage with intervenors and provide timely information and responses, which CZN commits to do, and moving up the dates of the Technical Session and the Public Hearing. In particular, we believe the objective should be to hold the Public Hearing before the Christmas break.

CZN developed a revised work plan to achieve the above noted objective (see attached, June 8). We shared this plan with key intervenors on June 10, 2021 and held a video conference to discuss the plan on June 15, 2021. In attendance were:

- Dept. of Lands, GNWT representing Lands and Environment and Natural Resources (ENR)
- Environment and Climate Change Canada (ECCC)
- Parks Canada
- Kathy Racher representing the Naha Dehe Dene Band and Liidlii Kue First Nation
- Shared Value Solutions (SVS) representing the Acho Dene Koe First Nation

The main process steps in terms of the schedule were discussed, which are those marked in bold in the column “Days Saved”. Kathy Racher advised that she had no issues with the proposed revised schedule, although she had yet to consult her clients. ECCC also voiced no concerns. Parks Canada commented that they had only recently begun review, and they had not yet engaged with their Indigenous partners, therefore they were not able to offer advice regarding a different schedule. Lands, SVS and Parks Canada voiced some concerns regarding the tightness of the revised schedule in relation to the Technical Session, comments on IR responses (Item 10), Public Hearing undertakings and comments on the draft WL. The main issue cited was the unknown scope and content of responses, and whether intervenors would have IR’s or undertakings.

As a result of the engagement, CZN revised the June 8 work plan (see June 16 revision attached) to add more time to the key process steps. We believe the revision should provide sufficient time for all parties, and it achieves the objective of a Public Hearing before Christmas. Key to this schedule is advancing the Technical Session 1 week to August 24-26. The Session would still occur nearly 1 month after the previous step. Kathy Racher and ECCC noted that they usually only require 1 week between these steps. This change enables the following process steps to be moved up, enabling a Public Hearing to be held before Christmas. We realize that the work plan may need to change over the course of the process, however we believe there is ample time and reasons to at least move up the Technical Session as proposed.

To further assist the current review and preparations leading to the Technical Session, CZN will host a two-hour informal question and answer session on June 25.

Much has been said previously regarding the time required to complete WL processes. We recognize that the MVLWB has a responsibility to ensure fairness, and that staff also have to manage workloads. We believe our proposed June 16 schedule properly balances these considerations. To be fair to us and proponents in general, we would ask that the MVLWB not grant extensions to deadlines except under extreme circumstances, or unless we agree.

MVLWB  
June 17, 2021

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Sincerely,

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

David P. Harpley  
VP Permitting

Item	Task	Responsible Party	MVLWB Draft Work Plan		Revised Work Plan Jun 8		Days Saved	Cum. Days Saved	Revised Work Plan Jun 16		Days Saved	Cum. Days Saved
			Date	Days from last task	Date	Days from last task			Date	Days from last task		
1	Applications Submitted	Proponent	27-May-21	0	27-May-21	0	0	0	27-May-21	0	0	0
2	Applications deemed complete	MVLWB staff	04-Jun-21	6	04-Jun-21	6	0	0	04-Jun-21	6	0	0
3	Applications sent out for review	MVLWB staff	04-Jun-21	0	04-Jun-21	0	0	0	04-Jun-21	0	0	0
4	Reviewer comments due on Application	Reviewers	15-Jul-21	41	15-Jul-21	41	0	0	15-Jul-21	41	0	0
5	Proponent responses to Reviewer comments	Proponent	29-Jul-21	14	26-Jul-21	11	3	3	26-Jul-21	11	3	3
6	Technical Session Day 1, 2, and 3	All Parties	31 Aug-2 Sep	33	17-19 Aug-21	21	12	17	24-26 Aug-21	28	5	10
7	Circulate IR's from Technical Session	MVLWB staff	07-Sep-21	5	23-Aug-21	4	1	18	30-Aug-21	4	1	11
8	Deadline to respond to Information Requests	All Parties	21-Sep-21	14	02-Sep-21	10	4	22	09-Sep-21	10	4	15
9	Circulate responses to IR's for review	MVLWB staff	23-Sep-21	2	03-Sep-21	1	1	23	10-Sep-21	1	1	16
10	Comments on IR Responses	Reviewers	14-Oct-21	21	15-Sep-21	12	9	25	24-Sep-21	14	7	23
11	Responses to Comments on IR Responses	Proponent	21-Oct-21	7	21-Sep-21	6	1	26	30-Sep-21	6	1	24
12	Deadline for Interventions	Interveners	04-Nov-21	14	05-Oct-21	14	0	26	14-Oct-21	14	0	24
13	Pre-Hearing Conference	All Parties	09-Nov-21	5	08-Oct-21	3	2	28	18-Oct-21	4	1	25
14	Proponent response to Interventions	Proponent	23-Nov-21	14	19-Oct-21	11	3	31	29-Oct-21	11	3	28
15	Intervener Public Hearing presentations due	Interveners	07-Dec-21	14	29-Oct-21	10	4	35	10-Nov-21	12	2	30
16	Proponent Public Hearing presentation due	Proponent	14-Dec-21	7	03-Nov-21	5	2	37	15-Nov-21	5	2	32
17	Public Hearing Day 1, 2, and 3	All Parties	11-13 Jan 22	28	16-18 Nov-21	13	15	52	30 Nov-Dec 21	15	13	45
18	Circulate Public Hearing Undertakings	MVLWB staff	14-Jan-22	3	19-Nov-21	3	0	52	03-Dec-21	3	0	45
19	Public Hearing Undertakings due	All Parties	08-Feb-22	25	29-Nov-21	10	15	67	17-Dec-21	14	11	56
20	Circulate Draft Licence	MVLWB staff	22-Feb-22	14	08-Dec-21	9	5	71	07-Jan-22	21	-7	49
21	Reviewer comments due on Draft Licence	Reviewers	08-Mar-22	14	17-Dec-21	9	5	76	21-Jan-22	14	0	49
22	Proponent responses on Draft Licence	Proponent	15-Mar-22	7	31-Dec-21	14	-7	69	28-Jan-22	7	0	49
23	Deadline for Closing Arguments from Interveners	Interveners	22-Mar-22	7	12-Jan-22	12	-5	64	04-Feb-22	7	0	49
24	Deadline for Closing Arguments from Proponent	Proponent	29-Mar-22	7	19-Jan-22	7	0	64	11-Feb-22	7	0	49
25	Board decision on Applications	MVLWB	April 22		H1 Feb-22				H1 Mar-22			
26	Water Licence sent to the GNWT Minister	Board staff	May 22		H2 Feb-22				H2 Mar-22			
27	Final decision from the GNWT Minister	Minister	August 22		Up to 90 days				Up to 90 days			