



NAHANNI BUTTE DENE BAND

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Mavis Cli-Michaud, Chair
Mackenzie Valley Land and Water Board
7th Floor - 4922 48th Street
PO Box 2130, Yellowknife NT X1A 2P6

**RE: Prairie Creek - Mining and Milling - New Type A Land Use Permit and Water Licence
Renewal Applications (MV2021D0005 MV2021L2-0004)**

Ms. Cli-Michaud:

The Naha Dehe Dene Band (“NDDB”) has begun a review of the CanZinc Corporation (“CZN”) application for the Prairie Creek Mine’s (the “Mine”) New Type A Land Use Permit and Water Licence Renewal Applications (MV2021D0005 MV2021L2-0004). NDDB’s consultants have completed a review of the preliminary screening information. NDDB shares the comments below with the Mackenzie Valley Land and Water Board (the “Water Board”), with respect to preliminary screening. Further comments on the application will be forthcoming prior to the review comment deadline.

In this process, NDDB again reminds the Water Board, and other reviewers, that the Prairie Creek Mine is in our traditional territory. We have the greatest potential for both impacts and benefits from its development. We recommend that CZN works directly with us to ensure that the benefits to NDDB exceed the impacts on our community. We recommend that all other parties to this process respect our community’s primary rights and interests within our traditional territory.

COMMENT

In determining whether the new applications should proceed directly to the permitting stage, or should be subject to another Environmental Assessment (“EA”), NDDDB received the following advice from its technical consultants who reviewed the applications:

How will the proposed expansion project affect mine operations and closure?

Project phase	Positive effects	Potentially negative effects
Operations	<ul style="list-style-type: none">• estimate up to 180 workers (up from 120 in original project)• prediction for better water quality in effluent (less effects to Prairie Creek)• metal concentrate will be shipped in sealed containers instead of bags (less dust)• use of natural gas for 90% of fuel needs (less emissions)	<ul style="list-style-type: none">• bigger camp means more sewage, more drinking water use, more garbage,• bigger planes will be needed to carry more employees to site• more land disturbance due to bigger stockpiles for ore, tailings, waste rock
Closure	<ul style="list-style-type: none">• prediction for slightly better long-term water quality in Prairie Creek during low flow seasons than original project	<ul style="list-style-type: none">• Waste Rock Pile will have 5X more rock and about 2X the footprint as before - will still be located in the Harrison Creek valley• Backfilled underground mine will be larger• Prediction for long term water quality in Prairie Creek in high flow seasons is slightly higher than original project

How certain are CZN’s predictions on the effects of the expansion project on the environment?

Overall, the effects of the expansion project on the environment are predicted to be the similar or, in some aspects, less than the original project. But it is important to keep in mind that predictions always have some level of uncertainty. Because the proposed expansion would mean that the underground mine and waste rock pile will be bigger, if the predictions are wrong, the post-closure water quality could be worse than it would have been for the original project.

While CZN has hired reputable experts and consultants to do the studies and modelling needed to make the predictions, those experts still need to make some assumptions about things like

how water will flow through the underground mine after closure or what amounts of metals will leach out of the waste rock over time. They used several “worst-case” assumptions to make those predictions, but we will only know how accurate the predictions are once mining begins. That said, the uncertainty can be addressed in the licensing and permitting process.

It is noted that:

- The certainty of the predictions about project effects, especially with respect water and effluent quality, is much better now than it was during the original EA of the mine back in 2012. This is because CZN and its consultants have gathered additional monitoring data and updated the models used to make predictions.
- All projects have uncertainty and, therefore, water licences contain requirements that ensure companies continue to check their predictions as they go. NDDB can recommend changes to the water licence that will help to ensure CZN continues to collect data, regularly updates its predictions, and takes the necessary actions to keep project effects within an acceptable range.

Are any of the potentially negative effects bad enough to require an EA?

With respect to the protection of the land and water in the area, it does not appear that an EA would provide much benefit to the project. Consider that:

- The understanding of the potential impacts is actually better now than it was during the original EA
- The water licensing process provides many of the same opportunities as an EA to discuss and improve the project if needed

RECOMMENDATION

In this process, NDDDB again reminds the Water Board, and other reviewers, that the Prairie Creek Mine is in our traditional territory. We have the greatest potential for both impacts and benefits from its development. We recommend that CZN works directly with us to ensure that the benefits to NDDDB exceed the impacts on our community. We recommend that all other parties to this process respect our community's primary rights and interests within our traditional territory.

Based on this analysis, NDDDB recommends that the project can proceed directly to the permitting stage. NDDDB expects that the proposed changes to the project will be analyzed and mitigated through the Water Board's process.

Sincerely,



Chief Steve Vital
Nahanni Butte Dene Band

cc: Mr. Mark Cliffe-Phillips
Executive Director
Mackenzie Valley Environmental Impact Review Board

Ms. Lorraine Seale
Director, Securities and Project Assessment
Department of Lands
Government of the Northwest Territories

Mr. Jonathan Tsetso
Superintendent
Nahanni National Park Reserve
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