

Canadian Zinc gets land-use permits

More permits, licences needed before Prairie Creek Mine can operate

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DEH CHO

Canadian Zinc Corporation is celebrating after receiving two land-use permits, but still needs multiple others to be able to fully operate Prairie Creek Mine.

The company announced last month the Mackenzie Valley Land and Water Board had issued it two land-use permits.

One permit allows Canadian Zinc to extract ore and waste rock from the mine, operate a flotation mill concentrator to make lead and zinc concentrates, and refurbish and develop site facilities, among other things.

The second permit allows the company to construct and operate the Liard transfer facility at the junction of the mine's access road and the Liard Highway. The facility will be used as a staging area to temporarily store inbound supplies and outbound concentrates.

Canadian Zinc is very pleased to receive the permits, which arrived on schedule and don't contain any unexpected conditions, said Alan Taylor, the company's chief operating officer and vice-president of exploration.

"They are all critical to putting everything together and allowing operations to run. Without one you couldn't have the operation," he said about the permits.

The company, however, is still waiting for a Class Type A water licence from the board, which is the lynchpin for all of its plans. The board could send the licence to the minister of Aboriginal Affairs and Northern Development Canada for approval within a few weeks, but there is no indication how long the licence could be in Ottawa, said Taylor.

The minister is expected to make a decision within 60 days, but it could take longer, he said.

Taylor is hopeful the water licence can be approved this summer.

Canadian Zinc, however, also needs to receive a Type B water licence and a land-use permit from Parks Canada in order to be able to use the portion of the winter road that runs through the Nahanni National Park Reserve and to construct the Tetcela Transfer Facility, which is also in the park. Draft permits were issued for review this past March and finalized versions are currently being worked on.

The company already has similar permits from the Mackenzie Valley Land and Water Board for the construction, maintenance and operation of the portions of the road outside of the park.



Canadian Zinc Corporation has received two land-use permits it needs to operate Prairie Creek Mine, but is still waiting on a crucial type A water licence. - photo courtesy of Canadian Zinc

The two new land-use permits, which are valid for five-year terms with optional two-year extensions, won't change the work that is planned for the mine site this summer, said Taylor. The company is reorganizing the site, doing some surface mapping and sampling and running training programs to prepare Deh Cho residents for future jobs at the site.

Each new permit or licence that is obtained, however, does make a difference in the company's ability to raise funds.

Financiers would like to see all of the permits in place before investing, said Taylor.

Even if the company had all of the permits and licences, the timing isn't great, he said.

"The resource industry is at a low in the cycle range right now," said Taylor, adding markets are very poor and commodity prices are soft.

Canadian Zinc has received praise from within the Deh Cho, with the Fort Simpson Chamber of Commerce and the NWT Chamber of Commerce issuing a joint press release congratulating the company on its persistence and investment in the NWT.

Angela Fiebelkorn, the president of the Fort Simpson Chamber of Commerce, called the mine the "most important economic initiative in the history of the Deh Cho."