



October 11, 2019

Richard Dwyer
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

Dear Mr. Dwyer,

Re: 1AR-NAN1419 Amendment and Renewal Application – Response to List of Commitments Generated during Technical Meeting/Pre-Hearing Conference

This letter sets out Canzinc Mines Ltd's (Canzinc) responses to the commitments generated during the Technical Meeting/Pre-Hearing Conference held on September 13, 2019, in relation to the renewal/amendment application for Water Licence 1AR-NAN1419.

1. *TM Commitment: Provide a response to the NWB's question regarding when the tailings in the Surface Cell (in the middle of cell) will be completely frozen back throughout.*

Canzinc response:

Monitoring conducted to date indicates a freezing point depression within the tailings pore water in the Surface Cell talik. The reason for this is that as the freezeback front continues to migrate downwards and the talik is shrinking, the remnant pore water is becoming more saline. Due to the increased salinity and the associated decrease in freezing point, complete freezeback of all tailings will likely require 10 years or more.

As previously mentioned, the remaining unfrozen tailings are at a significant distance from the dyke. Hence, there is no concern from a geotechnical perspective.

2. *Provide Draft Licence Framework reflecting the current status of the site (i.e. that it is no longer an active operation and that current activities are limited to monitoring), listing plans and documents approved by the NWB during the existing licence period, and identifying changes to the post-closure monitoring period.*

Canzinc response:

A draft licence framework, including proposed wording for the amended licence, is enclosed with this letter.

3. *Provide a list of remaining infrastructure on site and clarifying the ownership of the remaining infrastructure (CanZinco, GN, NorthWestel or others), including providing supporting documentation which is known and readily available to CanZinco.*

Canzinco response:

Infrastructure	Ownership	Supporting Documentation
Government garage	Government of Nunavut	<ul style="list-style-type: none"> 2004 Reclamation and Closure plan, section 7.6 (enclosed) Strathcona Agreement dated 18 June 1974, section 5.(2)(b) (enclosed)
Sea cans and trucks (one tanker truck and one flat bed)	Volco Northern Terminal (Hugo Clement)	No documentation readily available. Volco Northern Terminal operated the tank farm at Nanisivik for a period of time. Canzinco has no responsibility for the sea cans and trucks.
Shed and concrete foundations at the Short take-off and landing (STOL) airstrip	NWTel	<ul style="list-style-type: none"> 2004 Reclamation and Closure plan, section 7.9.1 (enclosed) (the concrete foundations were used for satellite dishes which were previously removed by NWTel)

We trust that these responses address the commitments generated during Technical Meeting/Pre-Hearing Conference. Any questions related to this letter and to the water licence application can be directed to the undersigned at telephone +41 44 745 8210 or by email at johan.skoglund@nyrstar.com.

Sincerely,



Johan Skoglund
Group Manager Environment