

# NWT snapshot: Three advanced projects



Canadian Zinc's Prairie Creek zinc-lead-silver project, 500 km west of Yellowknife in the Northwest Territories. Credit: Canadian Zinc

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Canada's Northwest Territories is relatively remote, but endowed with mineral potential. Despite the region's harsh winters and infrastructure deficit, the Northwest Territories hosts Canada's largest and oldest producing diamond mines — Ekati and Diavik — and the newly minted Gahcho Kue diamond mine. Along with diamonds, the region has a handful of advanced projects, including Prairie Creek, NICO and Nechalacho.

## **Prairie Creek**

**Canadian Zinc (TSX: CNZ; OTCBB: CZICF)** aims to bring its 100%-owned Prairie Creek zinc-lead-silver project online by the end of 2019.

The project has a colourful history. Located 500 km west of Yellowknife in the Mackenzie Mountains, the famous Hunt brothers acquired Prairie Creek in 1966 and subsequently invested \$65 million into the property. They were close to putting Prairie Creek into production, when silver prices collapsed and bankruptcy proceedings halted their plans in 1983.

Nearly a decade later, Canadian Zinc purchased Prairie Creek for \$2 million. Since then, it has focused on drilling and permitting the property.

Canadian Zinc's final permit to upgrade the access road from winter use to all-season use is undergoing environmental assessment by the Mackenzie Valley Environmental Impact Review Board, with a decision expected before mid-year, the company's CEO John Kearney notes.



The portal to underground workings at Canadian Zinc's Prairie Creek zinc-lead-silver project in the Northwest Territories. Credit: Canadian Zinc.

According to a 2016 prefeasibility study, Prairie Creek could support a 17-year underground mine life, with an annual production of 60,000 tonnes of zinc concentrate and 55,000 tonnes of lead concentrate, containing 86 million lb. zinc and 82 million lb. lead, along with copper and silver byproducts. Estimated start-up costs are \$244 million, including a contingency.

Canadian Zinc is currently discussing project debt with lenders and has undertaken a bankable feasibility study. "Assuming the project financing is in place in 2017, and construction starts in 2018, Prairie Creek could be in production by the end of 2019," Kearney says.

On Dec. 14, Canadian Zinc closed a \$2 million flow-through financing. The funds will go towards exploring the company's properties, including Prairie Creek and its three polymetallic projects in Newfoundland.