

**CANADIAN ZINC
CORPORATION**

November 27, 2001

Mr. Louie Azzolini
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
PO Box 938, 200 Scotia Centre, 5102 - 50th Ave.
Yellowknife, NT
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By Fax: 1-867-766-7074

Dear Mr. Azzolini:

Re: Responses to MVEIRB Information Request - November 5, 2001
Metallurgical Pilot Plant Program - Prairie Creek Mine
(Water Licence Application MV2001L2-0003; MVEIRB File EA01-002)

We are pleased to provide Canadian Zinc's response to the Information Request submitted to CZN by the MVEIRB dated November 05, 2001 concerning the above-noted Environmental Assessment currently before the Board received by fax at our offices November 27, 2001.

Thank you for the opportunity to comment on these matters. We trust our thoughts are constructive.

Yours very truly,

CANADIAN ZINC CORPORATION

J. Peter Campbell
VP Project Affairs

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November 27, 2001

Canadian Zinc Corporation Metallurgical Pilot Plant Environmental Assessment

Response to Information Request

Information Request:

Date: November 5, 2001 (Note: Received by CZN by fax November 27, 2001)

From: Louie Azzolini, Environmental Assessment Officer, MVEIRB

Subject: Concentrates from proposed Canadian Zinc (CZN) Pilot Plant

Objective: To obtain information for the public registry on the presence and disposal of mercury at the Prairie Creek mine site

Request: That CZN clarify whether or not they plan to conduct mixing or leaching of the Pilot Plant concentrates at the mine site, either as part of the Pilot Plant proposal, or otherwise.

That CZN clarify what is meant by 'leaching' of copper concentrate, and explain what will be done with the concentrated mercury that results from this process (e.g. Is mercury released into the environment in a gaseous, liquid or solid form? How is any accumulated mercury to be disposed of?)

Background:

The Preamble to this Information Request makes reference to comments made in the Scoping Study produced by CZN dated January, 2001. The referenced comments relate to the potential for reducing smelter charges by reducing the concentrations of penalty elements in the concentrates either by blending or leaching.

It should be noted that the Scoping Study was a document produced to provide a preliminary demonstration of the feasibility and economic viability of renewed mining operations at the Prairie Creek Mine, as a precursor to entering into the detailed studies necessary to support preparation of a bankable feasibility study. As such, the Scoping Study provided a preliminary plan for and evaluated all aspects of renewed full scale mining and milling operations at the Prairie Creek Mine.

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Other than mentioning the Company's intention to carry out a pilot plant program as a component of the studies necessary to complete the bankable Feasibility Study, the Scoping Study bears no relation to the development currently before the Board for review. As a result, the Scoping Study was not submitted in support of the proposed developments and does not form part of the documentation contained on the Public Registry.

Rather, the Scoping Study has been made publicly available to interested parties and, accordingly, was forwarded to the Canadian Parks and Wilderness Society (CPAWS) at their request under cover dated September 30, 2001. This formed the basis for the original CPAWS Information Request dated October 18, 2001 which was then transcribed as an information request from the MVEIRB dated November 5, 2001 and forwarded by fax to CZN on November 27, 2001.

Response:

In answer to the information request, CZN has no plans to conduct mixing or leaching of the Pilot Plant concentrates at the mine site in conjunction with the Pilot Plant proposal or otherwise.

As stated in the EA Report, the purpose of the pilot plant program is to confirm and optimize metallurgical performance. Metallurgical processing is a complex series of mineralogical separation steps the efficiency of which is controlled by a variety of chemical and physical variables. Metallurgical testing seeks to eliminate the variables in order to establish optimal conditions in which to achieve maximum recoveries of the minerals of interest, while at the same time minimizing recovery of unwanted minerals.

In order to achieve this the pilot plant will be run in batches under controlled conditions. Concentrates from each batch will be retained separately in order to evaluate the efficiency of each set of process conditions under test. Samples of such concentrates will be sent out to commercial laboratories for assay and to processing facilities for test marketing/smelting.

The issue of 'leaching' of copper concentrate relates to the mineralogy of the ore at Prairie Creek and the presence of mercury bearing tetrahedrite-tennantite and sphalerite minerals. In the metallurgical separation process, the bulk of these minerals report to the copper, and to a lesser degree the zinc, concentrates resulting in these products containing elevated concentrations of mercury locked in the mineral lattice structure of the above noted minerals. When shipped to the smelter, these elevated levels result in extra treatment charges.

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In order to reduce these charges, it has been suggested that it may be possible to pre-treat the concentrates through a separate hydrometallurgical or pyrometallurgical process prior to shipment to the smelter. The Scoping Study simply pointed out the possibility that such technology exists and may be applicable to future operations at the Prairie Creek Mine thereby improving overall project economics.

Such a process is not proposed to be conducted at the minesite as part of the pilot plant program. Therefore, there will be no gaseous, liquid or solid mercury emissions associated with any 'leaching' process and no associated mercury byproduct requiring disposal.

Any such testwork would involve the application of specialized technology available only at commercial metallurgical facilities located in population centers in southern Canada or elsewhere in the world. In such event, concentrate samples would be shipped to laboratories demonstrated to be capable of carrying out the desired testwork.

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