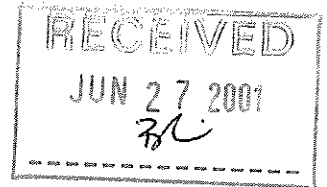


**CANADIAN ZINC**
CORPORATION

June 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
X1A 2N7

By Fax: 1-867-920-4761

Dear Mr. Azzolini:

**Re: Environmental Assessment Work Plan
Phase II Mineral Exploration Drilling Program - Prairie Creek Mine
(Land Use Application MV 2001C0022; MVEIRB File EA01-003)**

We are in receipt of your email dated June 21, 2001 in which you advise of the MVEIRB's inability to meet its own timelines as set out in the Final Work Plan of May 31, 2001 for the Phase II Drilling Development, and that the timelines have now been extended to August 15 to correspond to the timelines for the Pilot Plant and Decline EA's, effectively extending the Phase II drilling EA decision an additional 19 days. We note that the email provided no reasons upon which this decision is based.

This recent decision to extend the Phase II drilling program EA seems difficult to justify given the fact that the Review Board has just recently completed an assessment of exploration drilling on the Property and concluded that it will not have significant adverse environmental effects, and the Land and Water Board has subsequently issued a permit to undertake such work. The current application is simply for additional activity of the same nature, a fact which was, in essence, acknowledged by the Review Board in accepting the information previously submitted from the Phase I Drilling program as sufficient for the purposes of this assessment.

The resulting Terms of Reference required only some further elaboration on Cumulative Effects and an Environmental Management Plan, which the Company provided in its EA Report submitted on June 7 in accordance with the Work Plan.

Based on the revised timelines, the EA process for the Phase II drilling program is now scheduled to take 4 months. From time of application (March 5) to receipt of permit (likely September-October) will be 6-7 months. This will effectively preclude any activity under this permit this season, resulting in a full year delay of the program from its intended start date.

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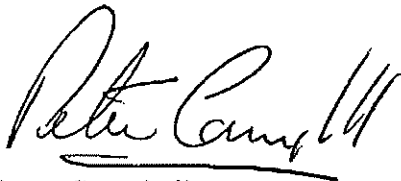
Admittedly, this is an improvement upon the 11 months it took to get the Land Use Permit for the Phase I drilling program. However, such delays must be considered patently unreasonable when viewed in light of timeframes in which similar programs have been routinely approved previously both on this property and elsewhere in the NWT. This is even more particularly the case considering that the Prairie Creek Mine has been actively explored since the 1960's with some 249 holes drilled on the property since that time, 5 km of underground workings developed and a complete mill processing facility and related infrastructure installed and fully permitted for operations in the early 1980's.

The Company continues to hold valid surface and mineral tenure on the Property issued pursuant to the Territorial Lands Act and Canada Mining Regulations, and has a legitimate expectation of being able to exercise its rights thereunder in a manner consistent with treatment afforded to others.

We would ask the Review Board and others to review and reconsider their procedures carefully, particularly in light of the Review Board's own guidelines which state that it "is expected to do its work in a timely and efficient manner."

Yours very truly,

CANADIAN ZINC CORPORATION



J. Peter Campbell
VP Project Affairs

cc: Mackenzie Valley Land and Water Board (Fax: 1-867-873-6610)
Bob Overvold - Regional Director General, DIAND (Fax: 1-867-669-2703)
Hon. Jim Antoine - Minister of Aboriginal Affairs, GNWT (Fax: 1-867-873-0306)
Hon. Joe Handley - Minister of Finance & RWED, GNWT (Fax: 1-867-873-0481)
Chief Leon Konisenta - Nahanni Butte Dene Band (Fax: 1-867-602-2910)

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