



April 22, 2002

Hon. Robert Nault, P.C., M.P.
Minister of Indian Affairs and Northern Development
10 Wellington Street, North Tower
Hull, Quebec
K1A 0H4

By fax: 1-613-996-1759

1-819-953-4941

Dear Minister Nault:

Re: Mackenzie Valley Environmental Impact Review Board

Report of Environmental Assessment (EA01-002) - January 22, 2002 Underground Decline/Exploratory Drilling and Metallurgical Pilot Plant

Developments

The Mackenzie Valley Environmental Impact Review Board forwarded its Report of Environmental Assessment recommending approval of the above-noted proposed developments to your attention on February 6, 2002 for decision under Section 130 of the Mackenzie Valley Resource Management Act.

As of this date, over 2 months later, no decision has been directed back to the MVEIRB.

As we have pointed out in previous correspondence, the proposed developments are for standard and accepted advanced exploration activity, typical of such activity undertaken at other mining properties elsewhere in Canada and the rest of the World. The potential environmental impacts associated with such activity are well known and easily mitigated with standard proven technology.

In most other jurisdictions such activities would take in the order of a month to receive the necessary approvals to proceed. In the case of Prairie Creek it has now been over 13 months since the original applications were made to the MVLWB on March 5, 2001.

The proposed programs of work are critical to verifying the feasibility of an economically viable and environmentally sound mining operation at Prairie Creek, the development of which is supported by the Nahanni Butte Dene Band of the Deh Cho First Nations, within whose traditional territory the mine is located.

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These protracted and unreasonable delays in permitting are jeopardizing the Company's ability to undertake these programs for the second season in a row, and are threatening to set project development back at least another full year. This is turn has a direct effect on the Nahanni Butte Dene Band by not allowing them to realize on the significant economic benefits which will accrue to them under the provisions of the Prairie Creek Development Cooperation Agreement signed in 1996. Such delays could translate into a loss of millions of dollars to stakeholders should they cause the mine to miss the predicted upwards swing in the metals cycle, since each 1 cent rise in the price zinc equates to an increase in operating revenue of \$1 million.

Minister Nault, we wish to request that you consult with your fellow Responsible Ministers to resolve this regulatory impass and direct your staff to deal with this matter urgently in order to avoid further disruption to the normal course of business which we are experiencing in the NWT as a result of the undue delays cause by the application of the Mackenzie Valley Resource Management Act.

Yours very truly,

CANADIAN ZINC CORPORATION

Malcolm J. A. Swallow President & CEO

cc: Bob Overvold - Regional Director General, DIAND (Fax: 1-867-669-2703)

Mackenzie Valley Land and Water Board (Fax: 1-867-873-6610)

Mackenzie Valley Environmental Impact Review Board (Fax: 1-867-766-7074)

Hon. Jim Antoine – Minister of RWED, GNWT (Fax: 1-867-873-0306) Chief Leon Konisenta - Nahanni Butte Dene Band (Fax: 1-867-602-2910)