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June 14, 2007

The Honourable Jim Prentice
Minister of Indian Affairs and Northern Development
Terrasses de la Chaudiere, North Tower
Suite 2100, 10 Wellington Street
Gatineau, Quebec K1A 0H4

Ref
Z 15491

see Z 16041

Dear Minister Prentice:

**Re: Mackenzie Valley Environmental Impact Review Board
Decision Re Ur Energy Inc. - May 7, 2007**

16279
16107

We are writing to record our concerns with the decision of the Mackenzie Valley Environmental Impact Review Board dated May 7, 2007 in which the Board reported its conclusions following an environmental assessment of an application by Ur Energy Inc. for a land use permit to conduct an exploration program in the Screech Lake area of the NWT.

In its May 7 report, the Board has concluded that, in its opinion, the proposed development is likely to cause an adverse impact on the spiritual/cultural values so significant that it cannot be justified. As a result, the Board has recommended to you and to the "Responsible Ministers" that the proposal be rejected without an environmental impact assessment.

We believe that, in reaching these conclusions and making the resulting recommendation the Review Board has strayed from its mandate and appears to have exceeded its jurisdiction.

If implemented, the recommendation of the Review Board would result in a large area of the Northwest Territories that is believed to have significant mineral potential to become entirely "off limits" to further mineral exploration and development. If this were the result, the Government of Canada would effectively be granting the Review Board broad powers to withdraw lands from mineral exploration that go far beyond the mandate of the Board under the MVRMA.

We are concerned that, if implemented, the recommendation of the Review Board will negatively impact mineral exploration in the NWT. In conjunction with the withdrawal of other lands for park and protected areas purposes, and lands withdrawn from mineral exploration through land claims process, together with the burdensome and unpredictable regulatory processes, uncertainty over parks and protected areas and regulatory duplication and inconsistency, this would have a very detrimental effect on investment in mining and exploration in the NWT and the north in general.

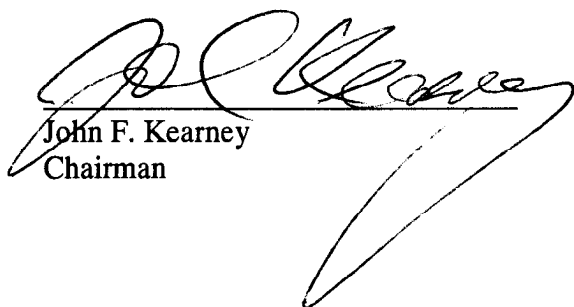
Z 16798

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We therefore strongly urge you not adopt the recommendation and to exercise your powers under section 130(1)(b)(i) of the *Mackenzie Valley Resource Management Act* and refer the recommendation back to the Board for further consideration, such consideration to include the public concern raised by the mining and exploration industry.

Yours truly,

CANADIAN ZINC CORPORATION



John F. Kearney
Chairman