



October 22, 2004

By Fax: (867)699-3166

Heidi Wiebe
Executive Director
Deh Cho Land Use Planning Committee
General Delivery
4th Providence, Northwest Territories
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Re: Deh Cho Land Use Plan

Dear Heidi:

In addition to the letter sent to you from Alan Taylor also dated October 22, 2004 I wish to provide additional comments for your consideration and review.

Canadian Zinc holds the Prairie Creek Mining Project located within the Deh Cho Territory. Prairie Creek is the largest mine development in the Deh Cho Territory. The Project has a long history. Whilst under development and in operation, the Project will bring significant economic benefit to the Deh Cho Territory in terms of employment, training, business opportunities and potential participation.

Whilst the Prairie Creek Project itself is identified in the maps and draft Plan developed by the Planning Committee, the potential of the Prairie Creek Project has not been adequately captured by the draft Plan and specifically the road access to the property has not been included in the maps provided. Inclusion in the Land Use Plan of proper road access is essential and inclusion of the Project itself without provision of proper access does not make good planning sense.

You will be aware that portion of the route of the existing winter road from the Liard Highway to the Prairie Creek Mine passes over part of the lands which are the subject of the Interim Withdrawal. Whilst Canadian Zinc retains its prior rights of access and use of the lands this is a potential conflict which should be addressed in the land use planning process.

In the opinion of Canadian Zinc the mineral resource potential of the Deh Cho Territory has not been appropriately or well represented on the maps and plans. Specifically the resource potential of the Prairie Creek Project has not been represented. Canadian Zinc believes that the resource potential of the immediate area in and around the Prairie Creek Project is very significant. Further, having operated in the area and conducted mineral exploration over a period in excess of ten years, thereby gaining extensive specific knowledge, Canadian Zinc further believes that the resource potential of the general area outside the immediate Prairie Creek area is also very significant. This general area has the potential to host a number of substantial mineral deposits and thus to become a major mining district on both a local and national scale. The resource potential of the area can only be determined and achieved by detailed exploration and development which requires a secure legal environment, a predictable permitting process and proper access.

Canadian Zinc is planning the major development of the Prairie Creek Project. The development of this Project is ongoing. Canadian Zinc would like to properly inform the

Committee about the Prairie Creek Project and its potential and is therefore interested in participating in discussions with the Planning Committee on this topic. The current status of the Project was described to representatives of the Planning Committee on your visit to the Prairie Creek Mine on October 5, 2004. Canadian Zinc is preparing a detailed submission to the Committee on the Prairie Creek Project. The Prairie Creek Project has a mine life of at least eighteen years. Mining operations will commence within six months of obtaining all necessary permits and licenses.

Canadian Zinc is interested and willing to participate in discussions with the Deh Cho Land Use Planning Committee on all aspects of land use planning, including cumulative effects management.

Canadian Zinc is of the opinion that the vision for the Deh Cho Territory for the next twenty years is primarily a matter for the local communities and the people of the Territory. As a major stakeholder in the Territory, Canadian Zinc would wish to see the extensive resource potential of the Territory developed in a proper manner, consistent with good land use planning and practice, for the mutual benefit of all participants and in a manner that is compatible with and recognizes both the traditional use and the wilderness features of the area.

One of the great difficulties in preparing a definitive land use plan at this time is that not all of the necessary information is available to finalize any plans and make it unalterable. Provisions should be made to enable revisions based on new or improved information, particularly with regard to the development of mineral resources on a more timely and predictable basis than that now proposed.

Canadian Zinc is of the opinion that the assessments of the mineral potential of the Territories that have been carried out to date are of a very basic and superficial nature only and do not, and indeed do not purport to, represent a comprehensive or complete assessment of the mineral potential against which proper planning decisions can be made. Canadian Zinc is preparing a detailed submission to the Committee on the mineral resource potential of the Deh Cho Territory in the general area of Prairie Creek and using Prairie Creek as the geological model.

Canadian Zinc appreciates the initial efforts of the Deh Cho Land Use Planning Committee to communicate with all the various interested parties. However, information sessions are only helpful in a general way and more specific discussions with major stakeholders active in the Territory and/or who may be impacted by the Land Use Plan would seem to be both helpful and desirable.

Thank you for your efforts to date. We look forward to working with you in the future.

Yours truly

CANADIAN ZINC CORPORATION

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