PRESS RELEASE
October 28th, 2008

The Nahanni Butte Dene Band (NBDB) has agreed to sign off on a Memorandum of Understanding (MOU) with Canadian Zinc Corporation (CZN) regarding the proposed Prairie Creek mining operation.

From the Band’s perspective, this MOU accomplishes the following objectives. The MOU:

• Acknowledges NBDB Aboriginal rights and interests in the area encompassed by the proposed mining operation, the winter haul road, and associated facilities;
• Acknowledges that NBDB must be consulted such that its Aboriginal rights and interests are fully accommodated;
• Provides for structured communication links between NBDB and CZN as environmental assessment and regulatory processes unfold;
• Provides interim benefits to NBDB and its members from current advanced exploration activities; and
• Acknowledges that NBDB can freely and independently advance and protect its Aboriginal rights and interests in current and pending environmental assessment and regulatory processes.

This MOU also allows for the subsequent negotiation of an Impact Benefits Agreement (IBA) regarding mine operations.

In return, NBDB agrees:

• To maintain close communication links with CZN;
• To participate in good faith in current and pending environmental assessment and regulatory processes; and
• Not to oppose the mining operation “in principle”.

The signing of this MOU is consistent with the current NBDB approach to the proposed mining operation, which includes carrying out a traditional knowledge (TK) assessment of the mining operation, engaging fully in mine-related environmental assessment and regulatory processes, and carrying out community economic development planning in advance of IBA negotiations. All of these activities will lead to informed and balanced decision-making by the Nahanni Butte Dene Band Council and its membership regarding the proposed mining operation.

Issued by Nahanni Butte Dene Band Council.