

Mr. Alistair MacDonald
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
5102 50th Avenue
Yellowknife, NT
X1A-2N7

October 20, 2008

EA 0809-002 - Canadian Zinc Corporation, Prairie Creek Mine

Dear Mr. MacDonald,

The NWT & Nunavut Chamber of Mines recently participated in the Scoping Session for the above noted project in Yellowknife, NWT on October 9, 2008. We were pleased with the format of the meeting, the ability for interested parties to voice concerns and comments, and the participation of the developer in the scoping sessions to determine terms of reference for the EA.

The Chamber of Mines is a non-profit group that promotes mineral development in both territories. We have over 1,000 corporate and individual members, operating in mineral production, mineral exploration, and servicing. Mining and mineral exploration in the Northwest Territories are our most important industries. Currently, diamond mine production represents about 50% of our Gross Domestic Product. Despite recent economic success, the future does not look very promising: rising costs of operations, uncertainty over the regulation process, and hindered access to land for mineral exploration could result in reduced output from the NWT's mining industry when the currently producing diamond mines begin to reduce production in the next decade. It is imperative to pursue new mining projects and reopen the territory for mineral exploration.

Our members believe that mining in the 21st century can be accomplished in a way that is sustainable, community friendly, and safe to the environment. Canadian Zinc has demonstrated a willingness to be a good steward of the land surrounding its project.

The Chamber believes that MVEIRB should not assess components of the project that have already been approved under grandfathered permits. The Prairie Creek operation is a unique application in that most of the proposed infrastructure for operations is already built and the environmental footprint is already there. The mine was fully licensed to operate before 1984 and this included operation of a winter road to the site. We understand this winter road permit was declared exempt from the Environmental Review process by the Supreme Court of the NWT in 2005. It is recommended that this exemption be acknowledged and respected by the Board. There is a general misconception that Canadian Zinc is trying to avoid environmental study by applying grandfathered applications, and this is far from the truth since the grandfathering aspects have already been through an EA-type process. In addition to this Canadian Zinc had

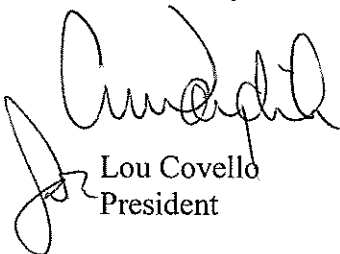
already undergone numerous EAs on various mine aspects and CZN has indicated that they are always open to discuss any aspect of the project and be willing to consider alternatives as the development moves towards operations. The decision to construct a winter road rather than an all-weather road is an example. All aspects of this operation will have to adhere to all of today's environmental rules and regulations whether grandfathered or not. The focus of the EA should be on project changes, including the transfer facilities, water storage ponds, and underground backfilling of pasted tailings.

This will be the first mining project to provide opportunities for people in the Dehcho and the economic importance of the proposed development is substantial. The mine will annually employ over 220 people for at least 15 years, perhaps more if exploration of the deposit reveals additional economic ore. According to the draft Dehcho Land Use Plan, unemployment in the region is about 20%, and most jobs are with government. We believe now is the time to bring industry to the Dehcho. Upon reviewing the reports from the recent community meetings held in the Dehcho, it would appear there is good support in the region, and people are looking forward to jobs. A recent endorsement of the project by the LKFN Band from Fort Simpson in the form of signing an MOU with CZN is an indication that the region wants to move ahead. The transition to this type of life style may come with challenges, but we believe that is necessary if regional residents are to be full participants in the modern economy. There seems to be considerable interest in building the mine and taking advantage of economic opportunities.

We understand there is a process involved and that it will take time. There are many important issues at stake. But we question exactly what else can be learned about the project through these proceedings that has not already been extensively documented and addressed. Canadian Zinc has undergone six permitting reviews since it began its program. Significant documentation of environmental issues, including waste management, wildlife surveys, and contingency plans have already been developed. We encourage the Board to refrain from demanding that this work be redone if it has already been approved under previous permits. Further in depth study may not necessarily be warranted.

New elements to the project have been proposed, and these changes are significantly better for the environment. Canadian Zinc is striving to maintain ecological integrity of the Nahanni watershed and have gone out of their way to accommodate concerns. We support this project and hope that the Board will recognize the importance of this development to the NWT.

Yours truly,



Lou Covello
President

NWT & Nunavut Chamber of Mines
P.O. Box 2818, Yellowknife NT
X1A 2R1