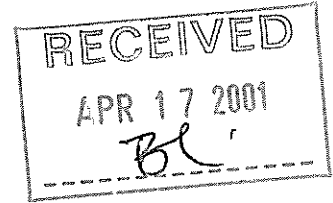




CANADIAN ZINC
CORPORATION

FAX COVER SHEET



Date: 17 April, 2001

To: Luciano Azzolini, EAO; MVEIRB

Fax: 867 920 4761

From: Malcolm Swallow

Pages: 8 (including cover sheet)

Subject: Significant Problems with the permitting process in Mackenzie Valley

Dear Louie,

As discussed, here is a letter to Roland asking him to do what ever he can to push along our review. I have also included a briefing paper on the situation as we see it and also a copy of my fax to Parks requesting clarification. We will also have a letter of support from Nahanni Butte, and will pass you a copy as soon as possible.

Thanking you in anticipation of any support you may be able to offer us. A briefing note and relevant letters are attached.

Yours truly,

Malcolm JA Swallow
President and CEO
Canadian Zinc Corp.

Suite 1202-700 West Pender Street
Vancouver, BC V6C 1G8
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**CANADIAN ZINC**
CORPORATION

Roland Semjanovs,
Executive Director,
Mackenzie Valley Environmental Review Board.
PO Box 938
Yellowknife
By Fax to: 1-867-920-4761

17-04-2001

Dear Mr. Semjanovs,

Re: Exploration and Development activities at the Prairie Creek Mine.

As you will be aware, three permit applications to the MVLWB were recently referred for environmental review by the Parks Superintendent at Nahanni National Park Reserve, using section 126(2)(a) of the Mackenzie Valley Resource Management Act. It is unclear whether this referral is one man's view or if it reflects the policies of Parks Canada and we have written to Tom Lee, CEO of Parks requesting clarification on this matter.

The applications are for an extension of a drilling program, that recently successfully passed a full environmental review by your Board, (approximately 8 days ago!); a small scale pilot plant program that is fully self contained within the existing mill buildings and facilities and only requires a water license for 10 gpm, and a decline development within the existing mine foot print, that is required to provide a bulk sample to confirm mineralisation below existing workings.

All of these applications are environmentally benign and non contentious in terms of a typical mine exploration program building towards eventual development. The applications are supported by the Nahanni Butte Dene Band and comply with best environmental practice. A copy of the Band's letter of Support will be forwarded to you in due course. These applications represent the orderly development of the project and will provide the basis for a work program for 2001 leading to a Full Environmental Review of the proposed mine operation by MVEIRB over the next year.

The immediate results of this action are as follows:

1. The only work available to be carried out on site this year will be the drilling of 6-7 holes contemplated in the application recently passed by the MVEIRB and currently awaiting ministerial approval.
2. Employment and training programs planned for this year to involve the local people will no longer be able to be completed.
3. The subsequent application for the full development and operating permits for the mine may well be deficient due to the lack of this data.

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4. The practical application of the Mackenzie Valley Resource Management Act and the MVLWB can be totally bypassed by any government employee with a personal agenda.
5. The mining industry, which is already highly mobile will declare the Northwest Territories "too hard" for anything but the highest value added exploration and development and take its exploration and development dollars elsewhere.

While we at Canadian Zinc Corporation fully accept that all mine development should be carried out in an environmentally sensitive and responsible manner and that any future mine development will be subject to the most diligent and complete review; the Company cannot accept that this application of the MVRMA is what the Government of Canada had in mind when it drafted and put the Act in place.

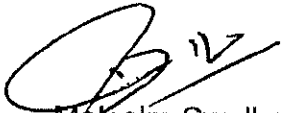
The mine has the ability to be put into production after full and comprehensive environmental review, by mid 2003, providing all the required studies have taken place; even allowing for at least 18 months of further environmental evaluation of the project as a whole. This timetable cannot be met if every single application for permits to carry out work, no matter how non-contentious, is referred to a full environmental review process taking nine months.

This mine has the support and general approval of the First Nations people in whose land claims area it lies and will produce significant benefit to all involved. This cannot happen, nor can the Company carry out a realistic program of work this year under the current circumstances.

The MVEIRB will be fully up to date on the permit applications and the pertinent points due to its recent handling of our last two applications for the first part of the drill programs and the fuel clean up. Our real problem is the shortness of the safe and efficient operating window on the site, which means that in order to complete these activities in a timely and efficient manner, we would need to have environmental approval within the shortest possible time frame. We would therefore request your support to ensure speedy and efficient review of these applications.

Should there be any other points requiring clarification, please do not hesitate to contact us.

Yours truly,



Malcolm Swallow
President and CEO,
Canadian Zinc Corporation

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