



CANADIAN ZINC
CORPORATION

October 14, 2005

****via email/post****

Government of the Northwest Territories
6th floor, Scotia Centre
5102 50th Avenue
P. O. Box 1320
Yellowknife, NT X1A 2L9

Attention: Paul Cobban
Environmental Assessment Analyst

Dear Mr. Cobban:

**Summary of Undertakings made to GNWT in Connection with Environmental Assessment
LUP MV2004C0030, MVEIRB File EA 0405-02**

This letter is to confirm the undertakings made by Canadian Zinc Corporation (CZN) in consultation with the Government of the Northwest Territories in connection with the Environmental Assessment (EA) of CZN's Phase 3 surface drilling exploration program at the Prairie Creek site.

Wildlife

CZN will prepare a report of existing information on wildlife use and important habitat in the vicinity of the Prairie Creek mine site and proposed Phase 3 drilling area. The report will be called "Management of Wildlife and Wildlife Habitat Issues, Phase 3 Drilling Program". Information sources will include:

- Available reports or literature for the Prairie Creek area;
- Discussions with staff from the GNWT, Department of Environment and Natural Resources' Wildlife Division; and,
- Local information regarding wildlife presence and habitat.

The report will identify and provide maps of any sensitive wildlife areas, and describe mitigation measures. The report will be provided to the GNWT's Dehcho Regional Biologist by March 31, 2006 for review.

CZN's consulting wildlife biologist will conduct an early summer 2006 survey for the Prairie Creek area in relation to the proposed activities, scheduled for the second week of June. The consultant will update the existing report of sensitive wildlife areas and mitigation measures, and

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the updated report will subsequently immediately be reviewed by the GNWT's Dehcho Regional Biologist. The Regional Biologist will then participate in a field review to verify the reported information on sensitive/non-sensitive wildlife areas and mitigation measures. Following this field review, the drilling project will commence in areas where no sensitivities exist, and in areas where sensitivities do exist but for which adequate mitigation measures have been developed. It is expected that conclusions will be drawn, and decisions made, before the Regional Biologist leaves the site after the field review.

CZN envisages that the early summer survey and the subsequent steps above will be completed in the space of approximately one week. The Regional Biologist has agreed to cooperate with this schedule.

CZN will continue to consult with the Regional Biologist concerning any outstanding areas of sensitivity, and the development of appropriate management approaches, and the report updated as necessary. The Phase 3 drilling activities will be conducted based upon the directives provided by the Regional Biologist, and those contained in the report.

A copy of the finalized report will be provided to the Regional Biologist by July 31, 2006.

Vegetation

CZN will adopt a similar strategy for the potential presence of rare and sensitive vegetation as that described above for wildlife. Existing information on vegetation will be included in the report "Management of Wildlife and Wildlife Habitat Issues", and vegetation will also be the subject of the consultant's early summer survey, and the Regional Biologist's review and directives.

Subsequent to the early summer activities, CZN will formulate an initial re-vegetation strategy, including definition of seed mix composition. CZN will do this with the intention of initiating re-vegetation test plots in 2007. CZN will provide information on the program to the Regional Biologist for review and comment as it comes available.

Flight Impact Management Plan

CZN will prepare an initial Flight Impact Management (FIM) Plan based upon available information. This plan will serve as the guide for the development of daily flight plans for aircraft involved with the project. The FIM plan will be based upon site specific and other relevant wildlife information, in conjunction with the "Flying in Sheep Country" guide, project demands, local topography and weather conditions.

The initial plan will be provided to the Regional Biologist in the report "Management of Wildlife and Wildlife Habitat Issues" for review by March 31, 2006. The plan will be revised, if necessary, in the final report, due by July 31, 2006.

Wildlife Log

CZN currently maintains a log of wildlife sightings in the mine area. CZN will modify this to provide the following documentation of incidental wildlife observations: date, time, location (with GPS location if possible), number, sex and age (if possible). The following wildlife are of particular interest:

Dall's sheep
 mountain goats
 mountain caribou
 moose
 grizzly and black bears

wolverine
 raptors
 swans
 any unusual wildlife observations
 such as elk, deer, cougar

The log of observations will be provided to the Regional Biologist on an agreed upon schedule.

Bears and other Carnivores

CZN's Health and Safety Plan (HASP) for Prairie Creek (provided as an appendix to the Detailed Project Description for this project) includes a section titled "Wildlife and Environmental Issues". This provides information on response actions and procedures for bear encounters. The GNWT feel this document requires further development to ensure project activities do not attract carnivores (bears, wolves, wolverines), and to manage encounters if they occur. Accordingly, CZN will review information available from the GNWT, specifically "Safety in Grizzly and Black Bear Country", and "Preventing and Responding to Bear Encounters", and will expand the section in the HASP to GNWT's satisfaction.

CZN will also provide a written description of its camp refuse management procedures to the Regional Biologist for review, and make any reasonable modifications to these procedures to ensure camp refuse is not an attractant to carnivores.

These documents will be provided to the GNWT's Dehcho Regional Biologist by March 31, 2006 for review.

If you have any questions, please contact us at 604-688-2001

Yours truly,
 CANADIAN ZINC CORPORATION



David P. Harpley, P. Geo.
 Environmental Coordinator

