



News Release *Communiqué*

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GOVERNMENT OF CANADA ANNOUNCES THE EXPANDED BOUNDARY FOR NAHANNI NATIONAL PARK RESERVE OF CANADA

“The greatest conservation achievement in a generation”

OTTAWA, JUNE 9, 2009 – The Honourable Jim Prentice, Canada's Environment Minister and Minister responsible for Parks Canada, today tabled historic legislation that will result in a massive expansion of Nahanni National Park Reserve of Canada.

“Nahanni is one of the Crown jewels of our incredible system of national parks and it is with pride that I take part in the greatest conservation achievement in a generation,” said the Honourable Jim Prentice. “Enshrining this magnificent area in legislation, under the *Canada National Parks Act*, is a gift to future generations that will ensure Nahanni National Park Reserve is managed according to the most stringent conservation standards.”

The expansion will make Nahanni six times its current size, and the third largest park in Canada. It will protect over 30,000 square kilometres (a little less than the size of Vancouver Island), which is approximately 91% of the Greater Nahanni Ecosystem in the Dehcho region. It will enhance Nahanni's UNESCO World Heritage Site designation as a protected area and will now include much of the South Nahanni River watershed

“Nahanni National Park Reserve is important to the culture of the Dehcho First Nations. The expanded boundary will ensure Nahanni continues to be revered as a place of mystery, spirituality and healing,” said the Honourable Chuck Strahl, Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians. “We are very pleased to have reached this remarkable achievement through strong collaboration with Dehcho First Nations, and with the support of the Government of the Northwest Territories.”

“Even when we don't walk on the land, our spirit is walking the land,” said J. Antoine, Nahanni Expansion Working Group. “This work has taken many years, many people working with passion and dedication. We must always remember the words of our Elders, “take care of the land and the land will take care of us.”

“The Nahanni personifies the spectacular nature of the Northwest Territories landscape,” Premier Floyd K Roland said. “It is a region that holds great cultural and traditional value to the people of the NWT and represents our spirit, beauty and potential to travellers from around the world. The size and nature of this expansion highlights our shared commitment, as Northerners to protect and sustain the value and wonder of our region for the future.”

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Today's announcement follows a 2007 commitment by the Government of Canada to expand Nahanni National Park Reserve of Canada.

To further encourage Canadians and visitors from abroad to get out and enjoy these national treasures, Canada's government has frozen fees in all national parks and historic sites managed by Parks Canada this year and next.

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BACKGROUNDER

NEW OPPORTUNITIES FOR VISITOR EXPERIENCE AND TOURISM IN AN EXPANDED NAHANNI NATIONAL PARK RESERVE

This landmark conservation achievement represents a wealth of new opportunities for Canadians and international visitors to experience Nahanni in all its beauty and wonder – and new opportunities for local communities and businesses.

The Greater Nahanni Ecosystem includes world-renowned places for canoeing, rafting, backpacking, climbing, mountaineering, camping, flight-seeing and day hikes. Places with interesting names and fascinating features, such as Hole-in-the-Wall Lake, Death Lake and the Tlogotsho Plateau, will now be protected for all time.

Some of the landscapes offering unique experiences to the adventurous visitor include:

- the **Ram Plateau** - spectacular plateau hiking with amazing vistas and deep canyons;
- the **Nahanni North Karst** - globally significant limestone landscape with caves, canyons, ephemeral lakes - unique in the permafrost zone;
- the **Tlogotsho Plateau** - high, open vistas, Dall's sheep range, great hiking;
- the **Ragged Range** - with the highest mountains and largest glaciers in the Northwest Territories; and
- **Glacier Lake, Fairy Meadows and the Cirque of the Unclimbables** - scenic lake nestled amid high peaks, internationally renowned for challenging big-wall climbing.

There is great potential for new types of visitor experiences that will appeal to all sorts of travellers, from those seeking interesting cultural experiences to those in search of the adventure challenge of a lifetime. New visitor experiences and tourism business opportunities will be explored and developed in consultation with Dehcho First Nations, local communities and existing tourism operators.

Nahanni National Park Reserve is acclaimed as Canada's premier wilderness river national park. It is the most famous national park and World Heritage Site in the Northwest Territories and the one that receives the most visitors. Parks Canada and Dehcho First Nations cooperatively manage the park reserve.

Approximately 1000 people visit Nahanni annually to experience its spectacular scenery and learn about its rich history. Nearly half of these visitors experience the park with the help of licensed professional river guide-outfitters and all visitors fly in with local air-charter companies.

Virginia Falls, with a longer vertical drop than Niagara Falls, is one of Canada's iconic images and the most recognizable image of Nahanni today. Park staff at Rabbitkettle Lake provide guided hikes to the tufa mounds (exotic calcium carbonate formations).

Traditional use by Aboriginal people is an honoured practice in Nahanni National Park Reserve. Visitors may see people traveling by motorboat, gathering plants or hunting. The Dene laws of sharing and of respect for others, the land and the animals are still practiced.

Nahanni National Park Reserve currently contributes on average nearly \$2.8 million per year to the local and NWT economies. This contribution includes approximately \$640,000 to the local economy in wages and benefits for 15 full-time and seasonal staff, approximately half of whom are members of the Dehcho First Nations. Parks Canada practices active mentoring and development of local aboriginal students and staff. The park's maintenance and operations budget contribute an additional \$1.5 million to the local economy. As well, visitors to the park contribute an estimated \$630,000 annually to the region.

BACKGROUNDER

AN ACT CREATING ONE OF THE WORLD'S LARGEST NATIONAL PARK RESERVES

The Greater Nahanni Ecosystem and Park Expansion

Until now, Nahanni NPR has covered an area of 4,766 km², and encompassed only the lower reaches of the South Nahanni and Flat Rivers. The massive expansion announced today by the Government of Canada increases the size of the park reserve by over six times. Nahanni's new boundary will now protect over 30,000 km² of spectacular mountain terrain, unique geological landforms and crucial wildlife habitat.

The Greater Nahanni Ecosystem is a huge and pristine northern landscape. It is an area of 39,000 km² that includes the entire watershed of the South Nahanni River as well as the Nahanni North Karst, just to the north of the existing park. Most of this area lies within the Dehcho Region of the Northwest Territories, but about one sixth of the area, the headwaters of the South Nahanni River, is in the Sahtu Dene and Métis Settlement Area. The Greater Nahanni Ecosystem was the study area for the park expansion project.

Working with Dehcho First Nations to Expand Nahanni

Dehcho First Nations' unwavering commitment to park expansion has been demonstrated through numerous Leadership Resolutions, and a willingness to work side-by-side with Parks Canada to get the job done. In 2003, Dehcho First Nations (DFN) and Parks Canada (PC) signed a Memorandum of Understanding, agreeing to work together to expand the national park reserve. As a result, the Nahanni Expansion Working Group (NEWG) was formed, made up of both DFN and PC members. It directed research studies, managed public consultations and developed boundary options for the Dehcho portion of the Greater Nahanni Ecosystem.

The Nahanni Expansion Working Group studied grizzly bears, woodland caribou, Dall's sheep, bull trout, vegetation, forest fires, glaciers, karst landscapes, tourism and the socio-economic impact of the park. These studies provided NEWG with scientifically defensible conservation targets to assist in the development of boundary options.

Extensive public consultations were held concerning the park expansion; the first round was centred around the local communities and the second round was national in scope. The consultations indicated overwhelming support for expanding Nahanni.

Protection of Wildlife and Landscapes; Visitor Opportunities

This landmark conservation achievement will protect 91 percent of the Dehcho part of the Greater Nahanni Ecosystem. It will enhance the ecological integrity of Nahanni for generations to come by protecting large areas of vital habitat for several key species currently listed as Species of Special Concern. Specifically this means the protection of habitat and ranges for:

- about 500 grizzly bears – more bears than are found in Banff and Jasper national parks combined;
- two herds of the northern mountain population of woodland caribou including migration routes and calving, rutting and wintering grounds;
- alpine species including Dall's sheep and mountain goats;
- important trumpeter swan nesting areas; and
- entire bull trout stream systems.

Nahanni's new boundary includes the highest mountains and largest ice fields in the Northwest Territories. Protecting many of the tributaries to the South Nahanni River, it encompasses the entire watersheds of Caribou River, Clearwater Creek, Cathedral Creek, Rabbitkettle River, Meilleur River, Irvine Creek, Ram River and more.

This greatly enlarged park will also protect the internationally significant Nahanni North Karst, featuring spectacular canyons, caves, underground rivers, sinkholes, isolated rock towers and many other landforms created by the erosion and dissolution of limestone.

Canadian and international visitors will have the opportunity to see the spectacular landscapes and to hike, canoe, and climb in these new park areas. Local communities, tourism operators and river guide-outfitter businesses stand to benefit from increased opportunities for visitor experiences.

A Balanced Approach to Reaching Agreement on the Boundaries

Parks Canada worked with Indian and Northern Affairs Canada, Natural Resources Canada and territorial governments to undertake a Mineral and Energy Resource Assessment (MERA) for the study area. The MERA ensured that the economic and strategic significance of mineral and energy resource potential was adequately considered in the national park expansion process.

The MERA results, along with the conservation research studies, were used to create a boundary that balances key conservation targets and potential future economic benefit.

Nine percent of the Dehcho part of the Greater Nahanni Ecosystem has been excluded from the expanded national park reserve. This represents all of the hydrocarbon potential and about half of the most important mineral potential identified by the MERA, as well as 100 percent of existing mineral claims and mineral leases, such as the operating Cantung Mine and the Prairie Creek Mine, currently under development. All of the community lands around the community of Nahanni Butte remain outside of the park.

The Government of Canada recognizes pre-existing third party mining rights including access to those rights. Development of these rights, including the right of access, will still be subject to existing regulatory processes.

The Cantung and Prairie Creek mines are not within the expanded park reserve. On July 31, 2008, Parks Canada and the Canadian Zinc Corporation (owners of the Prairie Creek Mine) signed an MOU recognizing each organization's goals and ensuring communication as the park expands and the mine is brought into operation.

Other existing third party interests include outfitter-guided sport hunting zones covering the proposed expansion area. Parks Canada will work with these businesses on a willing seller - willing buyer basis with the intent being to acquire their interests in the park expansion area.

Proposed National Park Reserve in South Nahanni Headwaters Area (Sahtu Settlement Area)

For the headwaters of the South Nahanni River, in the Sahtu Settlement Area, the Sahtu Dene and Métis Final Agreement sets out the process to establish a national park. Accordingly, Parks Canada and the land corporations in the Tulita district of the Sahtu Settlement Area are negotiating an Impact and Benefit Plan for what could become Nááts'ihch'oh National Park Reserve. The government announced an interim land withdrawal for this area in April 2008, which will remain in effect until 2012.



PRESS RELEASE

CZN-TSX
CZICF-OTCBB

FOR IMMEDIATE RELEASE

CANADIAN ZINC SUPPORTS EXPANSION OF NAHANNI NATIONAL PARK

- PRAIRIE CREEK MINE EXCLUDED FROM ENLARGED PARK
 - ACCESS RIGHTS TO BE PROVIDED BY NEW LEGISLATION
 - BALANCED APPROACH TO RESOURCE DEVELOPMENT AND CONSERVATION
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Ottawa, Ontario, June 9, 2009 - Canadian Zinc Corporation (TSX: CZN; OTCBB: CZICF) (the “Company” or “Canadian Zinc”) welcomes the announcement of the Government of Canada’s decision and the introduction today in Parliament of new special legislation on the proposed expansion of Nahanni National Park Reserve, which excludes the Prairie Creek Mine, and supports the balanced approach to resource development and conservation.

The proposed Park expansion announced today in Ottawa by **The Honourable Jim Prentice, Canada’s Environment Minister and Minister responsible for Parks Canada**, will see the area of Nahanni Park expanded by 30,000 square kilometers, making it the third largest National Park in Canada. The enlarged Park will cover most of the South Nahanni River watershed and will completely encircle the Prairie Creek Mine. However, the Mine itself and a large surrounding area of approximately 300 square kilometers is specifically excluded from the Park and will not be part of the expanded Park.

In making the announcement **The Honourable Chuck Strahl, Minister of Indian Affairs and Northern Development**, said that the Government recognizes the importance of resource development in Canada’s North and the decision on the expansion of Nahanni National Park reflects a balanced approach to conservation and to potential future economic benefits that development of the Prairie Creek Mine can bring to the people of the Dehcho.

A new Bill, introduced by the Government in the House of Commons today, entitled “*An Act to amend the Canada National Parks Act to enlarge Nahanni National Park Reserve of Canada*” provides for the expansion of Nahanni National Park and, crucially from CZN’s point of view, proposes at Section 7(1) amendments to the *Canada National Parks Act* to enable the Minister for the Environment to enter into leases or licences of occupation of, and easements over, public lands situated in the expansion area for the purposes of a mining access road leading to the Prairie Creek Area, including the sites of storage and other facilities connected with that road.

Heretofore, an access road to a mine through a National Park is not permitted under the *Canada National Parks Act*, and the Act is now to be amended solely for Nahanni National Park Reserve and specifically for the purpose of providing access to the Prairie Creek Mine area.

Attending the historic Nahanni National Park expansion announcement and celebration at the Canadian Museum of Nature in Ottawa today, **Mr. John F. Kearney, Chairman of Canadian Zinc Corporation** said:

“Canadian Zinc Corporation welcomes the long anticipated expansion of Nahanni National Park Reserve, with the exclusion of the Prairie Creek Mine area and the guarantee of access to the Mine through the enlarged Park”.

“Canadian Zinc, and indeed the entire Canadian mining and exploration industry, supports a balanced approach to resource development and conservation, which in the proposed expansion of the Park has now been achieved.” **Mr. Kearney** added.

Following the statements made by Prime Minister Harper, in announcing the interim withdrawal of lands for the purposes of park expansion in August 2007, where the Government committed to consultations to determine how to balance the interests of various stakeholders, including “the commercial interests whose existing investments must be recognized and respected”, Canadian Zinc has been working closely with officials at Indian and Northern Affairs Canada and at Parks Canada, and in consultation with the Government of the Northwest Territories, to achieve this balanced solution.

In July 2008 Canadian Zinc and the Parks Canada Agency entered into a Memorandum of Understanding in which they agreed to work collaboratively, within their respective areas of responsibility, authority and jurisdiction, to achieve their respective goals of an expanded Nahanni National Park Reserve and an operating Prairie Creek Mine.

Canadian Zinc supports the proposed expansion of Nahanni National Park and has agreed to manage the development of the Prairie Creek Mine so the mine does not, in its own right, negatively affect the expansion of the Nahanni Park.

The balanced approach to development and conservation achieved today also acknowledges the aspirations of the communities of the Dehcho First Nations in that most of the South Nahanni watershed will be preserved and protected while also facilitating the development of the Prairie Creek Mine which will bring much needed jobs, benefits, business opportunities and economic stimulus to the Dehcho Region and to this part of the Northwest Territories.

Enactment of the new legislation introduced today will be a “win- win” for the Park, for the Prairie Creek Mine and for the Dehcho and will facilitate all parties achieving their respective objectives.

“Canadian Zinc believes that the Prairie Creek Mine and the enlarged Nahanni National Park can co-exist and that, properly planned and managed, the enlarged Park will not interfere with the operation of the Prairie Creek Mine and similarly that the operation of the Mine will not adversely impact upon the Park or its ecological integrity,” said **John Kearney**.

“We are very pleased to be part of this unique and historic solution to the compatibility of mine development and environmental protection and conservation.” **Mr. Kearney** added.

THE PRAIRIE CREEK MINE:

Canadian Zinc's 100% owned Prairie Creek Mine is an important Canadian resource, located in the Mackenzie Mountains in the Dehcho region of the Northwest Territories, within the watershed of the South Nahanni River and in proximity to but outside the current boundaries of Nahanni National Park Reserve.

The Project includes a partially developed underground mine with an existing 1,000 ton per day mill and related infrastructure and equipment. The mineral deposit contains very substantial quantities of zinc, lead and silver. When in production the Mine will add significantly to Canada's production of lead and zinc concentrates and will create employment for about 225 people and business opportunities for the local communities in the Dehcho region of the Northwest Territories which currently have a very high unemployment rate and a growing population.

Development of the Prairie Creek Mine has the support of the great majority of the peoples of the Dehcho, who are badly in need of the jobs, training and business opportunities that the mine will provide, and who at the same time are committed to the protection of their traditional lands.

Canadian Zinc has entered into Memoranda of Understanding with the Nahanni Butte Dene Band and with the Liidlii Kue First Nation (Fort Simpson) to establish mutually beneficial, cooperative and productive relationships. Canadian Zinc has agreed to use its best efforts to employ community members on a first preference basis and to assist the communities to benefit from the business opportunities associated with the Prairie Creek Project.

A major underground tunneling and diamond drilling program completed in 2006 /2007 led to the completion of a Technical Report to National Instrument 43-101 standards in October 2007, filed on SEDAR, which estimates that the Prairie Creek Property hosts total Measured and Indicated Resources of 5,840,329 tonnes grading 10.71% zinc, 9.90% lead, 0.326% copper, and 161.12 grams silver per tonne. In addition, the Report confirms a large Inferred Resource of 5,541,576 tonnes grading 13.53% zinc, 11.43% lead, 0.514% copper and 215 grams silver per tonne and additional exploration potential.

The Measured and Indicated Resource is capable of supporting a mine life in excess of fourteen years at the planned initial rate of 600 tonnes per day, which will increase to 1,200 tonnes per day, and the future inclusion of Inferred Resources is expected to extend the mine life to at least 20 years.

The proposed new operation at Prairie Creek utilizes the existing infrastructure and facilities that were built in the 1980s and which will be upgraded and enhanced to meet current-day environmental standards.

The proposed development and operation of the Prairie Creek Project is currently undergoing environmental assessment by the Mackenzie Valley Environmental Review Board, which is expected to be completed by October 2010. The exclusion of the Prairie Creek Mine from the proposed Nahanni National Park Reserve expansion area has brought clarity to the land use and policy objectives for the region and will facilitate various aspects of the environmental assessment.

The future operation of the Prairie Creek Mine will provide tremendous economic stimulus to this region of the Northwest Territories, and presents a unique opportunity to strengthen and enhance the social and economic well being of the surrounding Dehcho communities.

Cautionary Statement - Forward Looking Information

This press release contains certain forward-looking information, including, among other things, the expected completion of acquisitions and the advancement of mineral properties. This forward looking information includes, or may be based upon, estimates, forecasts, and statements as to management's expectations with respect to, among other things, the completion of transactions, the issue of permits, the size and quality of mineral resources, future trends for the company, progress in development of mineral properties, future production and sales volumes, capital costs, mine production costs, demand and market outlook for metals, future metal prices and treatment and refining charges, the outcome of legal proceedings, the timing of exploration, development and mining activities, acquisition of shares in other companies and the financial results of the company. There can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The Company does not currently hold a permit for the operation of the Prairie Creek Mine. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that mineral resources will be converted into mineral reserves.

Cautionary Note to United States Investors

The United States Securities and Exchange Commission ("SEC") permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. Certain terms are used in this press release, such as "measured," "indicated," and "inferred" "resources," which the SEC guidelines prohibit U.S. companies from including in their filings with the SEC.

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Expansion of Nahanni National Park Reserve L'agrandissement de la réserve de parc national Nahanni

Nahanni Expansion Boundary

Limites pour l'expansion de Nahanni

Legend / Légende

- Expanded boundary  Limites élargies
- Nahanni National Park Reserve  Réserve de parc national Nahanni
- Greater Nahanni Ecosystem  Grand écosystème de Nahanni
- Dehcho-Sahtu boundary  Frontière Dehcho - Sahtu
- Mining Access Roads  Routes d'accès aux ressources minières
- Roads  Routes

