



PRESS RELEASE

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CZN-TSX
CZICF-OTCBB

FOR IMMEDIATE RELEASE
May 26, 2011

Canadian Zinc announces \$5 Million bought deal private placement

Toronto – May 26, 2011 – Canadian Zinc Corporation (TSX-CZN) announces that it has entered into a revised engagement agreement with Northern Securities Inc. (the “Underwriter”) for the offering, on a private placement basis, of 6,250,000 Units at \$0.80 per Unit, for gross proceeds of \$5,000,000 (the “Offering”), with a “bought deal” commitment provided by Northern Financial Corporation, subject to certain conditions.

Each Unit is comprised of one common share and a half common share purchase warrant. Each whole warrant shall be exercisable for one common share at an exercise price of \$1.05 for a period of 24 months from the date of closing. The Company has also granted the Underwriter an overallotment option to purchase up to an additional \$1,000,000 in Units for a period of fifteen days following the closing date.

This bought deal financing replaces the unit offering of \$5,000,000 previously announced on May 11, 2011.

The Offering is being made on a private placement basis to qualified investors but will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

Completion of the Offering is subject to certain conditions, including approval by the Toronto Stock Exchange and other regulatory agencies. All securities issued pursuant to the Offering will be subject to a four-month hold period. The Offering is expected to be completed on or about June 10, 2011.

The Underwriter will be paid a commission fee of 7% in cash and 7% in broker warrants exercisable for Units for a period of 24 months from closing.

The net proceeds of the Offering will be used for exploration and development and to advance the Company’s Prairie Creek Zinc/lead/silver mine in the Northwest Territories of Canada towards production and for general corporate and working capital purposes.

About Canadian Zinc

Canadian Zinc's principal focus is to advance the Prairie Creek Mine, a zinc/lead/silver property located in the Northwest Territories of Canada, towards production. 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, 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. [Technical Report October 2007, Minefill Services Inc Dr. David Stone and Stephen Godden, Qualified Independent Persons, in compliance with NI 43-101].

The proposed development and operation of the Prairie Creek Project is currently undergoing Environmental Assessment by the Mackenzie Valley Environmental Impact Review Board, and it is expected that the EA process will be completed in 2011.

Qualified Person

Alan Taylor, P.Geo., Chief Operating Officer, Vice President Exploration and a Director of Canadian Zinc Corporation, is a Qualified Person for the purposes of National Instrument 43-101 and has approved this press release.

Cautionary Statement - Forward Looking Information

This press release contains certain forward-looking information. 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 issue of permits, the size and quality of the company's mineral resources, future trends for the company, progress in development of mineral properties, future production and sales volumes of VGM, capital costs, mine production costs, demand and market outlook for metals, future metal prices and treatment and refining charges, the timing of exploration, development and mining activities 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.

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