



**PRESS RELEASE**

**May 16, 2002**

***PROPOSED BROKERED FINANCING FOR DAMOTI LAKE GOLD PROJECT***

Canadian Zinc Corporation (“the Company”) is pleased to announce that it has agreed to a brokered private placement with Raymond James Limited, (“the Agent”) consisting of “Super Flow Through Shares” priced at \$0.30; with a minimum of 1,000,000 common shares and a maximum of 2,000,000 shares placed (“the Financing”). The \$300,000 to \$600,000 will be used to fund exploration on the Company’s newly optioned Damoti Lake Property.

In connection with the Financing the Company will pay the Agent, a commission of 8.0% of the gross proceeds of the Financing plus warrants equivalent to 10% of the shares issued in the Financing exercisable at \$0.30 per share until 18 months after closing of the Financing. The Financing is subject to regulatory approval and completion of final documentation.

Canadian Zinc signed a letter of intent to enter into an option on the 4600 hectare Damoti Lake project with Doublestar Resources Ltd. in March 2002 (see press release dated March 11th 2002.) Both Companies recognised an opportunity to further explore and expand the gold potential on the property.

This financing forms part of Canadian Zinc’s plans to raise \$1,000,000 by way of private placements of Flow Through Shares and non-flow through units to Canadian and European investors respectively. Final details of other proposed financings will be announced shortly. Proceeds from the financings will be used at Damoti Lake to conduct exploration and confirmation drilling, as well as drilling of newly identified targets. Funds will also be expended at the Company’s Prairie Creek base metal property, as well as for general working capital.

*“John A. MacPherson”*

**John A. MacPherson**  
**Chairman**

*This news release may contain forward looking statements based on assumptions and judgments of management regarding future events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.*