



PRESS RELEASE

DATE: June 25, 2001

Trading Symbol: T-CZN

FIRST PERMIT RECEIVED AND DRILLING TO COMMENCE ON PRAIRIE CREEK

The Company is pleased to announce the final receipt of the first of a series of five permits for exploration and development activities designed to aid the re-development of the existing mine and mill on the Company's Prairie Creek Mine property in the Northwest Territories.

The first permit is for a drilling program designed to infill and extend the existing know high grade zinc lead silver deposit, which is based on the current known combined resource of 11.8 million tonnes grading 12.5% zinc, 10.1% lead, 161 g/t silver and 0.4% copper, estimated in 1998 by MRDI, a wholly owned subsidiary of AMEC E&C Services Limited. This mineral resource contains 3.6 million tonnes (measured and indicated) grading 11.8% zinc, 9.7% lead, 142 g/t silver and 0.3% copper, and 8.3 million tonnes (inferred) grading 12.8% zinc, 10.3% lead, 169 g/t silver and 0.4% copper. The initial holes will be targeted to increase confidence and expand know mineralisation. The holes will be drilled using the Company's on site Super 38 drill rigs commencing in July 2001.

Additional permits have recently moved into the environmental review process. These permits are intended to permit the drilling of a further 50 to 60 holes to add to the existing 250 hole database; to allow for the operation of a 1 tonne per hour pilot plant within the existing mill building; and also to allow for the development of an underground decline. The decline will provide a fresh sample of mineralization from below the existing 2.5 km of underground workings and provide for an excellent drill platform for subsequent infill drilling.

The Company also continues to work on the re-permitting of the operation as a whole, which was fully permitted for operation in 1982, but never operated. These permits have now lapsed and it is expected that a full permit application will be made to Mackenzie Valley Land and Water Board for an operating permit and water license this year. In the light of the earlier permits and the extensive database of environmental background studies, it is expected that a permit could be forth coming by late 2002. With a completed feasibility study and the final permits in hand, then operations could commence early in 2003.

A more extensive description of the Company's activities and the scoping study is available on the Company's web site at www.canadianzinc.com.

"Malcolm J.A. Swallow"

Malcolm J.A. Swallow
President and CEO

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.