

Central and Arctic Region 520 Exmouth Street Samia, Ontario N7T 8B1 Pêches et Océans Canada

Région du centre et de l'arctique 520 Rue Exmouth Samia, Ontario N7T 8B1

Our File: 5940-135

EF-1588-2

Your Reference: 7703-971-2

APR 1 5 2015

CanZinco Mines Ltd., formerly Nanisivik Mine – a division of CanZinco Limited 95 Wellington St. W. Suite 2000 Toronto (Ontario) M5J 2N7

c/o Nyrstar Sales & Marketing AG Tessinerplatz 7 CH-8002 Zurich, Switzerland

Attention: Johan Skoglund

Dear Sir:

Re: Nanisivik Mine Lease L-9195300, dated March 22, 2001, ('the Lease'')

This letter is to inform you that the administration of the federal real property leased to you pursuant to the Lease will be transferred from the Department of Fisheries and Oceans to the Department of National Defence.

From the time of the transfer of administration please direct your notices to the Department of National Defence using this contact information:

Department of National Defence Real Property Operations Group 101 Colonel By Drive Ottawa, ON K1A 0K2

Attention: Real Property Advisor - North

This letter shall serve as written notice provided to you pursuant to clause 33 of the Lease and as an amendment to clause 33, "Notices" as set out in the Lease.

This letter also serves as written notice that the transfer of custodianship will not constitute an annulment of your obligation to remediate the site as provided in clause 12 of the Lease and to restore the leased premises to their original condition as of the date of the Lease, all at your cost and expense and without any right to seek compensation.

In addition, the Department of National Defence will now administer the Memorandum of Agreement of July 25, 2014 between Her Majesty in Right of Canada, as represented by the Minister of Fisheries and Oceans Canada, and CanZinco Mines Ltd "Concerning



Use of the Existing Concrete Pad during Remediation of the Former Tank Farm Facility at Nanisivik, Nunavut".

If you have any questions regarding this notice please contact Kevin Bill by phone at (519) 464-5129 or email at kevin.bill@dfo-mpo.gc.ca.

Sincerely,

Andrea Cyr Associate Regional Director General Central & Arctic Region Fisheries & Oceans Canada

cc: Nunavut Water Board

Department of National Defence

