

## News Release

### **Yukon Zinc Receives New Acquisition Proposal**

**Vancouver, BC, April 28, 2008** – Yukon Zinc Corporation (YZC.TSX-V) (“Yukon Zinc” or “the Company”) announces today that it has received an unsolicited bid for 100% of the outstanding shares, options and warrants of the Company (“the Northwest Proposal”) by way of Plan of Arrangement. The Northwest Proposal was made by Northwest Nonferrous Investment Company, Limited, and Jinduicheng Molybdenum Group, Ltd. (collectively, “the Investors”). Both corporations exist under the laws of the People’s Republic of China. The proposal results from due diligence investigation and discussions with the management of the Investors that commenced in early 2007.

On April 18, 2008, the Company entered into an agreement with Griffin Mining Limited (“Griffin”) under which Griffin will, subject to Yukon Zinc shareholder approval, acquire all of Yukon Zinc shares by the issue of one Griffin ordinary shares for nine Yukon Zinc common shares (“the Griffin Proposal”) (*see April 21, 2008 News Release*). A fairness opinion in respect to the Griffin Proposal was received from the Company’s advisors Paradigm Capital Inc. (“Paradigm”). The agreement with Griffin permits Yukon Zinc to consider any proposal that is potentially superior (“a Superior Proposal”). Griffin has been advised of the receipt of the Northwest Proposal and of the intention of the Board to accept it and to recommend its adoption by the Company’s shareholders. As a result, Griffin has five business days to respond to the Investors’ Superior Proposal and amend its proposal in response to the Northwest Superior Proposal. Subject to receipt and consideration of any amended proposal that Griffin may submit in the interim, the Board will meet on May 6, 2008 to determine whether to accept the Northwest Proposal.

Paradigm has delivered an opinion to the Yukon Zinc Board stating that in its opinion, the Northwest Proposal is fair, from a financial point of view, to our shareholders. The completion of a transaction related to either of Northwest or Griffin proposals is subject to regulatory approvals.

#### **Summary of the Northwest Proposal**

The Northwest Proposal provides for acquisition of all outstanding Yukon Zinc shares at a price of \$0.22 per share (“the Purchase Price”), payable in cash. Each Yukon Zinc option and warrant that is “in-the-money” will be purchased for the cash value. All options and warrants that have an exercise price greater than the Purchase Price (that is, “out-of-the-money”) will be purchased for an aggregate price of \$410,000, according to a purchase schedule for each series of options and warrants.

The Investors cash offer for Yukon Zinc shares represents a premium of 37.5% over the closing price of Yukon Zinc shares on Friday April 25<sup>th</sup>, 2008 (\$0.16 per share). The Northwest Proposal exceeds the effective value of the Griffin Proposal (\$0.197 per YZC share) by approximately 11.7%, calculated on Monday April 28<sup>th</sup>, 2008 closing prices for Yukon Zinc and Griffin shares.

The Proposal is structured as a plan of arrangement and is conditional on:

- Approval of 66 2/3% of the votes cast by shareholders at a meeting of Yukon Zinc shareholders;
- Execution of a definitive acquisition agreement, a draft of which has also been received; and
- Receipt of court and regulatory approvals, waiver of the Yukon Zinc shareholder rights plan, and other customary provisions such as no material adverse change.

There are no lockup or additional due diligence conditions. The Investors have represented that they are confident, based on discussions with the NDRC (the Chinese state agency controlling investment activities overseas for Chinese entities), that all necessary approvals will be obtained without delay and have the requisite funding in place to do so. The Northwest Proposal is open for acceptance until noon Vancouver time May 7, 2008.

## **About Yukon Zinc**

Yukon Zinc is a TSX Venture Exchange listed company based in Vancouver. It is focused on development of its silver-rich Wolverine Project in southeast Yukon and its large exploration land holdings in the Finlayson and Rancheria Districts. A bankable feasibility study was completed for the Wolverine Project by Wardrop Engineering in January 2007 indicating favourable project economics. The Project has all of its main development permits and enjoys strong support from the Yukon Government and its local First Nations communities.

## **About Jinduicheng and Northwest**

Jinduicheng is the largest producer of molybdenum and associated products in Asia and reportedly the third largest in the world. It is publicly-traded on the Shanghai Stock Exchange after a recent US\$1.2 billion IPO. Jinduicheng's mining and processing operations are located in Shaanxi province, China. Northwest represents the Shaanxi state geological bureau. In China Northwest is one of the top five exploration and mining Bureaus amongst around 100 provincial Bureaus in terms of revenue and technical capacity. Employing more than 6000 employees including 800 geologists, technologists and engineers, Northwest was the first bureau in China to conduct exploration projects in partnership with companies from Western countries.

## **Cautionary Note Regarding Forward-Looking Statements**

This press release contains "forward-looking statements" within the meaning of applicable Canadian securities laws concerning the business, operations and financial performance and condition of Yukon Zinc. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, hedging practices, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, timing and possible outcome of pending litigation, title disputes or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Yukon Zinc to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the integration of acquisitions; risks related to international operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although Yukon Zinc has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Yukon Zinc does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws

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