Highlights

- Drill hole NC17-226 intersected 9.0m of 5.2% Zn Eq. including 2.4m of 12.6% Zn Eq. within 20m of surface and located 350m north of the Nash Creek Deposit;
- Drill hole NC17-224 intersected 14.8m of 3.6% Zn Eq. including 2.7m of 6.9% Zn Eq. and 2.4m of 5.6% Zn Eq. within 100m of surface and located 250m northeast of the Nash Creek Deposit; and
- An additional ten holes were drilled within a 450m long by 200m wide target area to the north of the Nash Creek Deposit.

VANCOUVER, July 13, 2017 /CNW/ - Callinex Mines Inc. (the "Company" or "Callinex") (TSX-V: CNX; OTCQX: CLLXF) is pleased to announce assays results from the first five holes drilled at the Company's 100% owned Nash Creek Project (the "Project") in the Bathurst Mining District of New Brunswick (See Figure 1). Drill hole NC17-226, located 350m north of the Nash Creek Deposit, intersected 9.0m of 5.2% zinc equivalent mineralization ("Zn Eq.") (3.6% Zn, 1.2% Pb and 28.0 g/t Ag) including 2.4m of 12.6% Zn Eq. (9.0% Zn, 2.7% Pb and 59.2 g/t Ag starting at a depth of 11.0m (See Table 1 and Figure 2). Additionally, drill hole NC17-224, located 250m northeast of the Nash Creek Deposit, intersected 14.8m of 3.6% Zn Eq. (2.6% Zn, 0.4% Pb and 32.7 g/t Ag) including 2.7m of 6.9% Zn Eq. (4.8% Zn, 0.9% Pb and 58.6 g/t Ag) starting at a depth of 77.0m. These drill holes are located in an area that is largely untested and the deposit remains open for further expansion.

Max Porterfield, President and CEO, stated, "We are encouraged by these initial drill results which indicate potential to expand the Nash Creek Deposit considerably farther to the north. We look forward to receiving additional assay results from several holes drilled over a 450m long by 200m wide target area." Mr. Porterfield continued, "The focus to grow the Company's zinc-rich resource base within close proximity to infrastructure in the Bathurst Mining District comes during a major global supply shortage. Given that mine production is unable to meet demand and the market is relying on above ground inventories, prices are well positioned to increase in the near future."

Drill holes NC17-226 and NC17-224 indicate potential for mineralization located closer to surface with higher grades as compared to the northern extent of the Hickey Zone to the south (See Figures 2 and 3). Additionally, NC17-226 encountered extensive zinc mineralization with 43 samples that exceeded 1% Zn Eq. before the hole ended in mineralization grading 1.2% Zn (See Figure 4). After completion of these two holes an additional ten widely-spaced holes were completed to conduct a first pass evaluation over a 450m long by 200m wide area (See Figure 2).

The near-surface mineral resource estimate for the Nash Creek Deposit includes an Indicated resource of 9.0 Mt grading 3.6% Zn Eq. totaling 712 M lbs of Zn Eq. mineralization and an Inferred resource of 1.1 Mt grading 3.6% Zn Eq. totaling 88M lbs of Zn Eq. mineralization over a 1.5km strike length with an average lateral extent ranging from 100 to 300m (See Table 2 and Figure 2). The Nash Creek Project is ideally situated approximately 1 km south of Provincial Highway 11 and has access to power supplied by a nearby 450 MW power station. Additionally, the Project is located 100 km by road to Trevali's Caribou Mine and 25 km by road to Glencore's Belledune lead/silver smelter, which has direct railway access to Glencore's Canadian zinc smelting and refining operations.

Mineralization at the Nash Creek Deposit is hosted in both felsic and mafic units, with porosity and structure (specifically faults/fracture zones) being the key features that control the extent and distribution of the mineralization. Zinc mineralization is hosted in a low iron sphalerite that is difficult to visually estimate and lead mineralization is hosted in galena. The mineralized envelopes (lens) are sub-horizontal and appear to cross-cut the shallow east dipping lithological stratigraphy.

Four distinct envelopes of mineralization make up the defined resource of the Hickey Zone. Drill hole NC17-226 intersected a fifth potential envelope between 241.7m- 246.0m (See Figure 4). The hole was drilled to a greater depth than previous drilling in the area and further work will be required to evaluate the significance of this fifth potential envelope.

Based on preliminary test results, the current resource grade of 3.6% Zn Eq. could be upgraded with the use of dense media separation ("DMS") to a head grade of 5-7% Zn Eq. (See News Release dated September 12, 2016). DMS is a well established density separation process that rejects lower specific gravity ("SG") material, such as internal dilution, before it is transported to a concentrator. Over 6,000 density measurements collected from Nash Creek drill core have demonstrated a correlation between higher grades and a higher SG. DMS testing has particular promise for the Project by removing internal dilution that tends to 'sandwich' relatively higher grade zones.

Additional metallurgical testing has indicated that the Nash Creek Deposit is amenable to conventional flotation techniques with recoveries of 91% for zinc and 82% for lead based on a coarse grind size. This test work produced a zinc concentrate grading up to 64% Zn and a lead concentrate of approximately 50% Pb.

The Nash Creek phase of the 2017 drilling campaign included 24 holes totaling 4,622m. Samples from four additional holes have been shipped to the lab for analysis while an additional 10 holes are being prepared for shipment. Callinex anticipates additional results to be released over the next 60 days.

Jason Levers, P.Geo, a qualified person under National Instrument 43-101 and a Staff Geologist for Callinex, has reviewed and

approved the technical information in this news release.

Table 1: Nash Creek Initial Drill Results

Nash Creek Initial Drill Results[1][2][3]							
Drill Hole	From (m)	To (m)	Interval (m)	Zn Eq (%)	Zn (%)	Pb (%)	Ag (g/t)
NC17-222	208.44	210.00	1.56	1.80%	0.78%	1.07%	3.4
Including	208.44	208.97	0.53	3.52%	0.81%	2.94%	6.3
NC17-223	89.10	90.30	1.20	4.50%	1.80%	2.76%	12.9
NC17-224	67.00	93.37	26.37	2.48%	1.71%	0.27%	23.2
Including	77.00	93.37	16.37	3.42%	2.43%	0.35%	30.0
Including	77.00	91.83	14.83	3.63%	2.56%	0.37%	32.7
Including	78.65	81.30	2.65	6.89%	4.79%	0.87%	58.6
and	88.58	91.00	2.42	5.62%	4.68%	0.45%	23.5
and	103.75	104.63	0.88	1.54%	1.34%	0.16%	2.6
and	115.33	115.97	0.64	2.55%	1.36%	0.98%	14.8
and	195.16	196.16	1.00	1.55%	0.70%	0.81%	6.5
NC17-225	No significant results						
NC17-226	11.00	20.00	9.00	5.24%	3.59%	1.15%	28.0
Including	16.86	19.30	2.44	12.64%	8.96%	2.65%	59.2
and	29.00	41.00	12.00	1.78%	1.40%	0.19%	9.3
Including	31.00	33.00	2.00	4.52%	3.80%	0.36%	17.6
and	210.90	213.00	2.10	1.59%	1.29%	0.25%	3.3
and	219.40	220.34	0.94	1.68%	0.91%	0.77%	4.4
and	231.00	231.42	0.42	2.43%	2.09%	0.21%	7.0
and	235.38	235.90	0.52	3.16%	2.47%	0.42%	13.8
and	241.72	246.00	4.28	1.79%	1.50%	0.15%	7.0
including	245.31	246.00	0.69	4.53%	3.77%	0.33%	20.9

Note[1][2][3]:

1. Zinc equivalent grades are based on the following metal prices: zinc US$2,525/t (1.15/lb), lead US$2,205/t (1.00/lb), and US$18.0 per oz. Metal recoveries of 100% were applied in the metal equivalent calculations. The zinc equivalent calcula as follows: ZnEq = 100 ((Ag Price in (g) x Ag Grade) + (Pb Price*2204.6 x Pb Grade(%)/100) + (Zn Price*2204.6 x (Zn Grade(%)/100))/Zn Price*2204.6).

2. The numbers may not add due to rounding.

3. True widths are not currently known.

Table 2: 2016 Nash Creek Mineral Resource Estimate

Nash Creek Mineral Resource Estimate					
Resource Classification	Tonnes	Zn. Eq. (%)	Zn (%)	Pb (%)	Ag (g/t)
Hickey Zone					
Indicated	3,174,000	3.09	2.38	0.53	15.8
Inferred	177,000	3.09	2.24	0.68	16.7
Hayes Zone					
Indicated	5,859,000	3.84	3.01	0.59	19.4
Inferred	936,000	3.67	2.95	0.55	15.3
Total					
Indicated	9,033,000	3.58	2.79	0.57	18.16
Inferred	1,113,000	3.58	2.83	0.57	15.51

Notes:

1. Estimation and reporting of the mineral resource estimate adheres to NI 43-101 guidelines and CIM Definition Standards.

2. Zn. Eq. is calculated using three-year trailing metal prices of $0.90/lb Zn, $0.87/lb Pb and $17.73/oz Ag, and recoveries of 90.5% Zn, 81.5% Pb and 50% Ag based on preliminary results from metallurgical testing.

3. Mineralization was constrained using a 2.00% Zn. Eq. wireframe, and segmented in 16 domains in the Hickey Zone, and 5 domains in the Hayes Zone. The cut-off grade for the mineral resource estimate is 2.00% Zn. Eq. which is considered suitab for reporting mineral resources for a potential open pit project and depth of mineralization. The estimate is not constrained b conceptual pit.

4. Densities vary by grade and rock type with an average specific gravity of 2.84 for the Hayes Deposit and of 2.82 for the Hicke Deposit.

5. The mineral resource estimate was calculated using an ordinary kriging (OK) methodology. The block model was constructed with block dimensions of 5 x 5 x 5 meters.

6. Mineral resources that are not mineral reserves and have not been demonstrated to have economic viability for extraction. Th quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an indicated or measured mineral resource.It is uncertain if further explorati will result in upgrading them to an indicated or measured mineral resource category.

7. Numbers may not add exactly due to rounding.

Table 3: NQ Diamond Drill Hole Data

Hole ID	UTM Zone 19T NAD 83 East	UTM Zone 19T NAD 83 North	Elevation (m)	Azimuth (° N UTM)	Dip (°)	Length (m)
NC17-222	716691	5308307	73	0	-90	261
NC17-223	717003	5308349	49	0	-90	177
NC17-224	717060	5308540	52	0	-90	237
NC17-225	717220	5309050	39	0	-90	183
NC17-226	716859	5308688	59	0	-90	271

Figure 1: Map of the Bathurst Mining District of Northern New Brunswick

Figure 2: Plan Map of Nash Creek Drill Holes

Figure 3: Long Section View of the Nash Creek Deposit

Figure 4: Cross Section View of Drill Holes NC17-226, NC05-10 and NC17-224

QA/QC

Individual samples were labeled, placed in plastic sample bags, and sealed. Groups of samples were then placed in security sealed bags and shipped directly to SGS Canada Inc in Vancouver, B.C. for analysis. Samples were crushed to 75% passing 2mm and pulverized to 85% passing 75 microns in order produce a 250g split. All copper, zinc and silver assays were determined by Aqua Regia digestion with a combination of ICP-MS and ICP-AES finish, with overlimits (>100 ppm Ag, >10,000 ppm Zn, and >10,000 ppm Cu) completed by fire assay with gravimetric finish (Ag) or Aqua Regia digestion with ICP-AES finish (copper and zinc). All samples were analyzed for gold by Fire Assay of a 30 gram charge by AAS, or if over 10.0 g/t were

re-assayed and completed with a gravimetric finish. QA/QC included the insertion and continual monitoring of numerous standards and blanks into the sample stream at a frequency of 1 per 10 samples, and the collection of duplicate samples at random intervals within each batch at a frequency of 1 per 10 samples.

SGS Canada Inc carried out some or all of following methods to obtain the assay results for Callinex: G_LOG02 Pre-preparation processing, G_WGH79 Weighing and reporting, G_PRP89 Weigh, dry, crush, split, pulverize, G_SCRQC QC for crush and pulverize stages, G_CRU22 Crush >3kg, G_DRY11 Dry samples, GE_FAA313 @Au, FAS, AAS, 30g-5ml (Final mode), GE-IC14A Aqua Regia digestion/ICP-AES finish, GE_IMS14B Aqua Regia digestion/ICP-MS package, GE_IMS14 Aqua Regia digestion, GO_FAG303 30g, Fire assay, gravimetric finish (Au)(Final Mode), GO_FAG313 30g, Fire assay, gravimetric finish (Ag)(Final Mode), G0_ICP13B Ore Grade, Aqua Regia digest/ICP-AES. Ag >10ppm was analyzed by ICP and GO_XRF77B-pyrosulfate fusion.

About Callinex Mines Inc.

Callinex Mines Inc. is focused on discovering and developing zinc and copper rich mines within prolific Canadian VMS mining jurisdictions. The Company is actively exploring its Pine Bay Project, located in the Flin Flon mining district of Manitoba, which hosts significant historic VMS deposits that are within close proximity to a processing facility. The larger project portfolio hosts three significant zinc rich mineral resources including the Point Leamington, Nash Creek and Superjack Projects located in Eastern Canada.

Some statements in this news release contain forward-looking information. These statements include, but are not limited to, statements with respect to future expenditures. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, among others, the ability to complete the proposed drill program and the timing and amount of expenditures. Except as required under applicable securities laws, Callinex does not assume the obligation to update any forward-looking statement.

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Contact
Callinex Mines Inc., Max Porterfield, President and Chief Executive Officer, Phone: (604) 605-0885, E-mail: info@callinex.ca