Callinex Announces Major Increase in the Nash Creek Deposit and Updated Resource Estimate

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Highlights

- Independent NI 43-101 mineral resource estimate has outlined a major increase in contained zinc, lead and silver Company's 100% owned Nash Creek Project;
- Indicated zinc equivalent pounds have increased by 74%, to 963 million pounds, and inferred zinc equivalent pou increased by 385%, to 407 million pounds; and
- Callinex expects to publish a maiden Preliminary Economic Assessment next month that will demonstrate the pot economic viability of a conceptual open pit mine.

VANCOUVER, April 16, 2018 /CNW/ - Callinex Mines Inc. (the "Company" or "Callinex") (TSX-V: CNX; OTCQX: CLLXF to announce that an updated independent National Instrument 43-101 ("NI 43-101") mineral resource estimate has outl increase in contained zinc, lead and silver mineralization within Indicated and Inferred categories at the Company's 100 Nash Creek Project located within the Bathurst Mining District of New Brunswick (See Figures 1 and 2). The Company' exploration program in 2017 has materially expanded the near-surface deposit and led to an increase in Indicated zinc ("Zn Eq.) pounds by 74%, to 963 million pounds, and Inferred zinc equivalent pounds have increased by 385%, to 407 pounds (See Tables 1 and 2), based on CIM Terms and Definitions. Callinex expects to publish a maiden Preliminary E Assessment next month that will demonstrate the potential economic viability of a conceptual open pit mine at the Nash Superjack projects.

The current mineral resource now hosts an Indicated mineral resource totaling 13.6 Mt averaging 3.2% Zn Eq. (2.7% Z and 17.8 g/t Ag) containing 963 million pounds of zinc equivalent mineralization and an Inferred mineral resource totalin averaging 3.1% Zn Eq. (2.7% Zn, 0.5% Pb and 14.0 g/t Ag) containing 407 million pounds of zinc equivalent mineraliza

Max Porterfield, President and CEO, stated, "These results confirm our belief that the Nash Creek Project represents a exploration and development opportunity given extensive near surface zinc mineralization coupled with the excellent ne infrastructure. Furthermore, the initial success from our 2017 drilling campaign demonstrates the potential to rapidly exp Nash Creek zinc deposit, which remains open in multiple directions."

The Nash Creek Deposit is a base metal sulphide deposit hosted within the Early Devonian Dalhousie Group volcanics volcaniclastic bedrock units. It is comprised of two main zones called the Hickey Zone, located to the north and the Ha located to the south. Mineralization occurs at surface in the Hayes Zone and extends for approximately 2.1 km along s mineralization consists of sub-horizontal mineralization which is interpreted as a series of vertically stacked horizons wi Hickey Zone. The majority of Zn+Pb+Ag mineral resources within both the Hayes and Hickey zones are located with 25 surface (See Figure 3).

The current resource estimate is based on a total of 279 drill holes totalling 37,421m. Results from the Company's 201 exploration drilling campaign, which consisted of 59 drill holes totalling 10,586m, were included within the mineral resou estimate (effective March 21, 2018). The 2017 drill holes were drilled vertically at approximately 75m spacing and focus on expanding the Hickey Zone to the north. Details and highlights of the drilling campaign can be found in various press from July 19th 2017 to April 4th 2018.

The larger Nash Creek Project covers several high-grade zinc occurrences over a 20 km long trend within the same ge setting that hosts the Nash Creek Deposit. This highly prospective land package has had very little exploration work co represents an exciting opportunity to discover additional zinc-rich deposits in future exploration campaigns.

The Company's project portfolio now contains indicated resources of 13.6 Mt averaging 3.2% Zn Eq. for a total of 963 m pounds of zinc equivalent mineralization and total inferred resources of 23.2 Mt averaging 5.2% Zn Eq. for a total of 2.7

pounds of zinc equivalent mineralization from the Nash Creek, Superjack and Point Leamington projects (See News Re
November 9, 2016).

Table 1: Mineral Resource Estimate for the Nash Creek Property (Effective Date March 21, 2018)

Classification	Density[1]	Tonnes	Zn (%)	Pb (%)	Ag (gpt)	ZnEq[2] (%)	ZnEq[2] Contained (lbs)
Hickey Deposit							
Indicated[3,5]	2.82	6,601,000	2.37	0.57	16.8	2.90	422,221,000
Inferred[3,5,7]	2.83	4,343,000	2.69	0.45	13.8	3.11	298,158,000
Hayes Deposit							
Indicated[3,5]	2.84	6,991,000	2.96	0.58	18.9	3.51	541,171,000
Inferred[3,5,7]	2.83	1,586,000	2.63	0.53	14.3	3.12	108,972,000
Total							
Indicated[3,5]	2.83	13,592,000	2.68	0.58	17.8	3.21	963,392,000
Inferred[3,5,7]	2.83	5,929,000	2.68	0.47	13.9	3.11	407,130,000

Notes:

(1) Classification conforms to NI 43-101, Companion Policy 43-101CP, and the Canadian Institution of Mining, Metallurgy and Petroleum ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM council, as amended. Inferred Resources have been estimated from geological evidence and limited sampling and must be treated with a lower level of confidence than Measured and Indicated Resources.

(2) Zinc equivalency (ZnEq) is based on trailing 3-year metal prices and metallurgical recovery assumptions based on limited testwork. Zinc equivalency is calculated as Zn%+ 0.747*Pb% + 0.006*Ag_ppm.

(3) The updated mineral resource estimate is reported using a 1.5% ZnEq cut-off value, which is reduced from a 2% ZnEq cut-off that was used to report the previous mineral resource estimate with Effective Date of August 22, 2016.

(4) Tonnes and ZnEq contained pounds are rounded.

(5) 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 Hickey Deposit.

(6) 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.

(7) Mineral resources that are not mineral reserves and have not been demonstrated to have economic viability for extraction. The 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 exploration will result in upgrading them to an indicated or measured mineral resource category.

Table 2: Comparison of Mineral Resources Since Acquisition in 2016

Timeframe[1]	Classification[2]	Cut-off, ZnEq[3,4] (%)	Tonnes	Zn (%)	Pb (%)	Ag (gpt)	ZnEq[3,4] (%)	ZnEq[3,4] Contained (lbs)
Pre-Acquisition	Indicated	2.0	7,807,900	2.72	0.55	18.3	3.22	554,268,000
Post-Acquisition	Indicated	1.5	13,592,000	2.68	0.58	17.8	3.21	963,392,000
Percent Change	N/A	N/A	+ 74%	- 1%	+ 5%	- 2%	0%	+ 74%
Pre-Acquisition	Inferred	2.0	1,211,700	2.66	0.52	18.0	3.14	71,057,000
Post-Acquisition	Inferred	1.5	5,929,000	2.68	0.47	13.9	3.11	407,130,000
Percent Change	N/A	N/A	+ 389%	+ 1%	- 10%	- 23%	- 1%	+ 385%

(1) Callinex reported closing the acquisition of the Nash Creek Property on August 15, 2016. The effective date of the "Pre-Acquisition" mineral resource estimate is March 27, 2009, the effective date of the "Post-Acquisition" mineral resource estimate is March 21, 2018. The 2009 mineral resource is considered to be historical and has been superseded by the mineral resource estimate with effective date March 21, 2018.

(2) Classification conforms to NI 43-101, Companion Policy 43-101CP, and the Canadian Institution of Mining, Metallurgy and Petroleum ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM council, as amended. Inferred Resources have been estimated from geological evidence and limited sampling and must be treated with a lower level of confidence than Measured and Indicated Resources.

(3) Pre-acquisition zinc equivalency (ZnEq) was calculated as Zn% + 0.633*Pb% + 0.008*Ag_ppm, the Post-Acquistion zinc equivalency is calculated as Zn%+ 0.747*Pb% + 0.006*Ag_ppm.

(4) The Post-Acquisition estimate is reported using a 1.5% ZnEq cut-off value, which is reduced from a 2% ZnEq cut-off that was used to report the Pre-Acquisition estimate.

(5) A bulk density value of 2.76 was used in the Pre-Acquisition estimate, and bulk density was calculated based on relationship to grade for the Post-Acquisition estimate using the formula 2.74+0.028*(Zn%+Pb%).

(6) Tonnes and ZnEq contained pounds are rounded.

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

Figure 2: Plan Map of the Nash Creek Deposit

Figure 3: Long Section View of the Nash Creek Deposit

Qualified Assurance Program and Quality Control Measures ("QA/QC")

Callinex implemented QA/QC protocols during the drilling campaign which included twinning of historical drillholes, analysis of field and laboratory duplicates, insertion of blanks and standard samples in all drill. The samples were submitted to SGS Canada Inc. located in Burnaby, British Columbia, for preparation and analysis. An independent qualified person from Tetra Tech visited the Nash Creek Property between February 14th-15th, 2018, at which time drill core was reviewed, independent samples were collected and a property visit was undertaken. Tetra Tech has reviewed the QA/QC work completed by Callinex and believes the database is reliable for estimating Mineral Resources.

Qualified Person

The Mineral Resources for the Nash Creek Deposit disclosed in this news release have been estimated by P. James F. Barr, P. Geo., Senior Geologist and Team Lead – Geology for Tetra Tech Canada Inc. and independent of Callinex. Mr. Barr is a Qualified Person as defined in NI 43-101. The Mineral Resources have been classified in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves, adopted by CIM council, as amended. Mr. Barr has read and approved the contents of this press release as it pertains to the disclosed mineral resource estimate.

About Callinex Mines Inc.

Callinex Mines Inc. (TSX-V: CNX ; OTCQX: CLLXF) is advancing its portfolio of zinc rich deposits located in established Canadian mining jurisdictions. The portfolio is highlighted by its Nash Creek and Superjack deposits in the Bathurst Mining District of New Brunswick. Callinex is actively exploring these projects in support of a maiden PEA planned for March, 2018.

Additionally, Callinex is exploring its projects in the Flin Flon Mining District of Manitoba which notably include the Pine Bay and Big Island Projects. These projects are located within 25 km to an operating processing facility that requires additional ore within four years.

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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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content:http://www.prnewswire.com/news-releases/callinex-announces-major-increase-in-the-nash-creek-deposit-and-u

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