VTEM Analysis Complete on the Akie and the Kechika Regional Properties

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Vancouver, Feb 26, 2013 - Canada Zinc Metals Corp. (CZX - TSX Venture), ("Canada Zinc Metals" or the "Company") is pleased to provide an update on the analysis of the VTEM geophysical survey completed on the Akie and Kechika Regional projects in 2012. The Akie property is the Company's flagship exploration project and is host to the Cardiac Creek SEDEX Zn-Pb-Ag deposit with a 43-101 compliant measured and indicated resource recently updated in April of 2012.

The Kechika Regional Project, represented by a series of contiguous property blocks including Pie and Mt. Alcock, extends northwest from the Akie property for approximately 140 kilometres covering the prospective Gunsteel Formation shale. The Gunsteel shale is the known host to the Cardiac Creek deposit, Teck/Korea Zinc's Cirque deposit, and numerous baritic Zn-Pb-Ag mineral occurrences along its mapped extent.

The southernmost project boundary of the Kechika Regional project is located approximately 260 kilometers north-northwest of the town of Mackenzie, in northeastern British Columbia, Canada.

Airborne Geophysical Survey

In August 2012, Geotech Ltd. of Aurora Ontario completed a large-scale, 1,526 line kilometre airborne Vertical Time Domain EM (VTEM) geophysical survey over the Akie, Pie and Mt. Alcock properties. The survey had a nominal line spacing of 200 metres but was tightened to 100 metre spacing over key areas of interest such as the Cardiac Creek deposit. The primary goal of the survey was to obtain lithological and structural information both near surface and at depth across the three properties, as well as define a geophysical response directly from the Cardiac Creek deposit and other known occurrences of mineralisation.

Geotech's VTEM system is known for its ability to identify conductive, massive-sulphide bodies as well as map lateral and vertical variations in resistivity. The system is equipped with a high sensitivity magnetometer to aid in mapping geologic structures and lithology. This type of survey is known for its exceptional depth penetration providing an increased accuracy in defining targets compared to conventional systems.

Preliminary interpretative results generated from the VTEM data indicate an excellent correlation between the known geological and structural data and the EM conductivity response generated from the survey. The Devonian Gunsteel Formation black shale, known host to the mineralized occurrences in the belt, is easily identified as a conductive trend and can be traced across the Akie and Pie properties. Additionally, the western thrust panel of rocks, which have been tentatively assigned to the Gunsteel Formation and which host the GPS barite showing, have a similar conductive trend and is traceable across the two properties. Other key lithological units such as the Kechika Group siltstone and limestone of the Kwadacha Reef are also discernible by variation in conductivity and resistivity.

The results also defined the western panel of Gunsteel Formation shale and associated rocks on the Mt. Alcock property and suggest an increased level of structural complexity compared to the existing mapping. A prominent EM lineation is present along strike to the southeast of the Main Barite showing. Historical drilling on the Main Barite showing intersected 8.8 metres grading 9.3 % combined Zn+Pb and 1.2 opt Ag in drill hole 89-3 and 10.5 metres grading 6.8 % combined Zn+Pb and 0.7 opt Ag in drill hole 89-9. This EM lineation is situated outside of any historical surface work and remains untested and is a high priority target for follow-up work.

In late 2012, the Company engaged Condor Consulting Inc. of Littleton, Colorado, recognized as experts in the field of airborne electromagnetics, to conduct a comprehensive processing, analysis and interpretation of the EM and magnetic data from the VTEM survey. The goal of this work was to utilise existing geological, geophysical, drilling and 3D modeling data and assess the data acquired from the three properties. A focus was placed on the geophysical response generated from the Cardiac Creek deposit as well as other mineralized occurrences in an attempt to define a deposit signature or a signature of mineralisation. The results of this work would be used to generate, define and rank electromagnetic targets on the three properties for follow up ground work. In addition, the analysis would be used to better define and delineate both lithological and structural contacts, particularly in regions where outcrop exposure is limited or not

present due to vegetation.

Condor completed a number of processing steps to evaluate the data, including layered-earth inversion, time constant and depth imaging. The result of this detailed analysis has shown that areas of known mineralization such as Cardiac Creek and Mt. Alcock are located along conductive trends and exhibit elevated conductivity and depressed magnetic signatures. Three profiles across the Cardiac Creek deposit show a strong conductor ranging from the surface to about 300 m depth which is about the depth limit that the VTEM survey data can be resolved with confidence.

Despite the strong conductor seen at Cardiac Creek, it is not unique and is only a small portion of a larger conductive lineation seen through the VTEM survey block. Plan view images indicate the conductivity along the Cardiac Creek deposit is slightly lower than along the same conductor just north and south of the deposit.

The decreased magnetic signature observed around the Cardiac Creek deposit is possibly due to magnetite destruction caused by hydrothermal fluids proximal to a source vent. Condor believes that the magnetic lows coincident with elevated conductivity are a significant geophysical signature that may accompany proximal mineralization and can be used as an exploration vector toward finding new zones.

The detailed analysis also generated a series of 25 Target Zones (TZ) on all three properties. The target zones are groupings of conductors (either discrete conductor picks or wide features from depth imaging) that are prioritized based on the degree of correlation of the observed response with the defined target model. The target zones have been referenced against the known geological, structural and drill data.

Several target zones are located along strike of known mineralization, including northwest and southeast of the Cardiac Creek deposit. The largest and strongest target zone identified in the survey is east of Cardiac Creek on an eastern panel of Gunsteel Formation that has seen only limited historical soil sampling with reconnaissance line spacing. TZ-17 is a long conductor, possibly positioned along a fold axis, which appears to be dipping east and is associated with an increased resistivity signature similar to that of Cardiac Creek.

Another target zone, east of Cardiac Creek, is coincident with a very large and strong historical zinc-in-soil anomaly (South Zinc Anomaly) that remains largely untested by systematic exploration. Additional targets are present on the eastern side of Silver Creek, located opposite to the Cardiac Creek deposit, and within the prospective Gunsteel Formation. The eastern side of Silver Creek has seen only limited exploration including soil sampling that defined the South Zinc anomaly in 1996. This region was also highlighted in the 2012 hydrogeochemistry sampling program and will continue to be assessed for the upcoming 2013 exploration program.

Several target zones are located in the vicinity of the GPS Showing where a single drill hole was attempted in 2011 to test surface mineralization at depth, but failed to reach the target depth due to poor near-surface ground conditions. This location remains a high priority drill target and will be retested from a new location. Several targets were also identified on the Pie property, most notably on the West Pie target area within the interpreted Gunsteel Formation shale. These targets will be assessed in the upcoming field season.

Targets were identified on the Mt. Alcock property located northwest of the Main Zone in rocks interpreted to be Road River Group. This interpretation will be reassessed due to the similar EM conductivity pattern known from the Gunsteel Formation. These targets will be followed up in the field to determine the host lithologies and the possibility of a potential thrust repeat of the Gunsteel Formation shale.

The report and EM targets defined by Condor Consulting will continue to be reviewed and assessed in conjunction with the digital GIS compilation recently completed on all three properties. It is expected that this work will refine the targets to produce high priority field targets for the upcoming field season. Although target zones can be selected from the VTEM data, it is important that they be further investigated with ground geophysics or geochemistry before drilling.

Based on these results the Company has plans to expand the 2012 VTEM coverage to include both the Yuen and Cirque East properties, and the northern half of its claim holdings located northwest of Mt. Alcock. A VTEM survey utilized in conjunction with the ongoing digital compilation of exploration data on the northern properties is expected to yield numerous, and possibly drill ready, high priority targets.

Ken MacDonald P.Geo., Vice President of Exploration, is the designated Qualified Person as defined by National Instrument 43-101 and is responsible for the technical information contained in this release.

The TSX Venture Exchange has neither approved nor disapproved the contents of this press release.

ON BEHALF OF THE BOARD OF DIRECTORS CANADA ZINC METALS CORP.

"PEEYUSH VARSHNEY"
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