

Highlights:

- Newly interpreted Lower VMS Horizon is largely untested to the south and at depth;
- The first four holes drilled into this prospective new VMS horizon during the winter program intersected significant copper mineralization accompanied by intense black chlorite alteration; and
- Private placement announced to raise up to \$1,000,000 to facilitate continued exploration activities.

[Callinex Mines Inc.](#) (the "Company" or "Callinex") (TSX VENTURE:CNX)(OTCQX:CLLXF) is pleased to announce results from an additional five drill holes completed during the winter drilling campaign at its 100%-owned Pine Bay Project located near Flin Flon, Manitoba. Four of the five drill holes intercepted significant copper mineralization, notably PBM-009 which intersected 10.6m of 1.4% Cu at 50.8m down hole, including a higher grade interval of 3.6m of 2.0% Cu. Drill hole PBM-009 has appreciably expanded the known mineralization related to the historic Baker Patton VMS deposit.

This hole, which was collared into the edge of a large gravity anomaly, intersected 39.45m of continuous mineralization ranging from semi-massive to massive sulphides which is significantly more than was reported in historic drilling. The gravity anomaly is also local and semi-coincident with surface and borehole electromagnetic geophysical anomalies. There appears to be only a few, widely scattered drill holes located down-dip and/or down-plunge from the near-surface copper zone intersected in hole PBM-009, additional drilling is considered a high-priority.

All four holes that intersected copper mineralization were drilled through the newly interpreted Lower Volcanogenic Massive Sulphide ("VMS") Horizon that occurs parallel to and roughly 200 meters below the west-facing and steeply overturned Upper VMS Horizon (see Figure 1). The Upper VMS Horizon is associated with the Pine Bay and Cabin deposits while the Lower VMS Horizon is associated with the Baker Patton and Pine Bay East zones. Recent and historic drilling indicates that copper mineralization most often occurs at approximately 500m intervals along both horizons and that these spacings have yet to be systematically tested along strike.

The first two holes of the 2016 drilling campaign, PBM-006 and PBM-007, tested the deep southern expression of the Upper VMS Horizon, immediately adjacent to and below the Pine Bay VMS deposit. Additionally, each drill hole intersected copper mineralization associated with the Lower VMS horizon, particularly hole PBM-007 that intersected 1.45m of 1.77% Cu including 0.3m of 3.56% Cu and 0.92 g/t Au. The intersections in PBM-007 are located approximately 500m west-southwest along strike from hole PBM-008, which was previously reported to have intersected 3.3m of 3.2% Cu (See news release dated March 7, 2016).

Lastly, drill hole PBM-010 tested an area northeast along strike from the PBM-009 massive sulphide zones and the Cabin deposit. It encountered four separate copper intersections down to an approximate hole depth of 370m. The intervals, which are interpreted as stringer-type mineralization, were spatially associated with semi-massive sulphides, primarily pyrite, and frequently narrow black chlorite veins.

Callinex has reported results from six of twelve holes completed during the winter drilling campaign and anticipates releasing results from the final six holes shortly.

Private Placement

Callinex intends to raise up to \$1,000,000 through a non-brokered private placement (the "Offering") in order to facilitate exploration activities and for general corporate purposes. The Offering will issue up to 2,500,000 flow-through shares at a price per share of \$0.40 for gross proceeds of \$750,000. The Offering will also issue up to 833,333 non-flow through units at a price per unit (a "Unit") of \$0.30 for gross proceeds of \$250,000.

Each non-flow through Unit will consist of one (1) non-flow through common share and one-half of one share purchase warrant (each whole warrant a "Warrant"). Each Warrant will entitle the holder to acquire one non-flow through common share at a price of \$0.45 for a period of two years from the date of issue. The Company will have the right to accelerate the expiry date of the Warrants if, at any time, the volume weighted average price exceeds \$0.60 over any 15 day trading period. In the event of acceleration, the expiry date will be accelerated to a date that is 20 days after the Company issues a news release announcing that it has elected to exercise this acceleration right. Callinex may pay a finder's fee equal to 7% of gross proceeds.

Assay Results

Hole (1)-(7)	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
PBM-006	600.47	600.79	0.32	0.63	1.02	0.15	6.39
and	714.38	714.77	0.39	1.51	0.03	0.02	2.30
PBM-007	296.80	298.25	1.45	1.77	0.02	0.47	3.75

<i>including</i>	296.80	297.10	0.30	3.56	0.02	0.92	8.50
PBM-009	21.55	22.25	0.70	2.21	0.01	0.27	3.93
	50.80	61.40	10.60	1.43	0.01	0.14	4.02
<i>including</i>	54.30	57.90	3.60	2.04	0.01	0.06	4.48
PBM-010	184.75	185.25	0.50	2.23	0.01	0.05	4.54
and	201.35	201.68	0.33	1.23	0.01	0.31	6.03
and	350.56	351.05	0.49	1.74	0.02	0.11	6.32
and	368.75	368.95	0.20	1.44	0.03	0.11	6.66

Notes⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾:

1. Dip and azimuth for hole PBM-007 is -68° and 280° Az. The 680m deep diamond drill hole is located at the following Universal Transverse Mercator (UTM) coordinates using the North American Datum of 1983 (NAD83) within UTM Zone 14N: 332016m East and 6071433m North. The collar of the hole is 295m above sea level.
2. Dip and azimuth for hole PBM-009 is -65° and 300° Az. The 611m deep diamond drill hole is located at the following Universal Transverse Mercator (UTM) coordinates using the North American Datum of 1983 (NAD83) within UTM Zone 14N: 332681m East and 6071729m North. The collar of the hole is 323m above sea level.
3. Dip and azimuth for hole PBM-010 is -60° and 280° Az. The 467m deep diamond drill hole is located at the following Universal Transverse Mercator (UTM) coordinates using the North American Datum of 1983 (NAD83) within UTM Zone 14N: 333051m East and 6071980m North. The collar of the hole is 315m above sea level.
4. Dip and azimuth for hole PBM-011 is -70° and 280° Az. The 125m deep diamond drill hole is located at the following Universal Transverse Mercator (UTM) coordinates using the North American Datum of 1983 (NAD83) within UTM Zone 14N: 332531m East and 6071600m North. The collar of the hole is 325m above sea level.
5. Drill hole PBM-011 was abandoned due to higher than expected flattening and well before its intended target. No samples were collected nor assayed.
6. Numbers may not add due to rounding. True widths are not currently known.

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) and G0_ICP13B Copper Grade, Aqua Regia digest/ICP-AES. Ag >10ppm was analyzed by ICP.

The technical content of this news release has been reviewed and approved by James Pickell, P.Geo, a Consultant to the Company and a Qualified Person as defined by National Instrument 43-101.

Figure 1: Plan Map of Reported Drill Holes and Interpreted VMS Horizons:
<http://www.callinex.ca/wp-content/uploads/2016/04/PineBay-VMS-Deposit.jpg>

About The Pine Bay Project

The Pine Bay Project is located 16km east of HudBay's 777 Mine and processing facilities near Flin Flon, MB. The project area spans 6,000 sq. ha. and covers a significant portion of the Baker Patton Felsic Complex, one of the largest and most highly altered packages of felsic volcanic rocks within the Flin Flon Greenstone Belt. Historic exploration activities have outlined four mineral deposits, three of which are located within a mineral lease that has advanced permitting status and includes the right to conduct mining activities. The Pine Bay deposit, the largest of the four historic deposits, has a 212m vertical shaft with significant underground workings from previous exploration activities.

The project has two distinct areas with VMS mineralization, the northern Pine Bay area and the southern Sourdough area. These areas are each related to historic deposits and occur along an approximate 10km NE-SW VMS trend near the top of the Baker Patton Felsic Complex. The Sourdough area is immediately adjacent to HudBay's past-producing Centennial Mine. Callinex has recently intersected new VMS zones in both the Pine Bay and Sourdough areas.

During the 1990s, majors including [Placer Dome Inc.](#) and [Inmet Mining Corp.](#) conducted limited exploration programs in the Pine Bay area to define a large VMS deposit at depth. A review of historic work has confirmed that several proposed drill holes and targets outlined by Placer Dome there were never completed. The property position was recently consolidated for the first time combining several large claim blocks previously operated by companies including Placer Dome, Inmet, Newmont, HudBay and Cameco.

Previous to Callinex' modern geophysical and geological exploration programs, very limited work was conducted between 1996 and 2014. Callinex has digitally compiled more than 1,000 mostly shallow drill holes and has completed large airborne and ground geophysical surveys to identify and evaluate the most prospective drill targets.

Pine Bay Historic Resources^{(1)(2) (3)}

Deposit	Tons	Cu Eq% (2)	Cu %	Zn %	Au g/t	Ag g/t
Pine Bay	1,113,200	2.76	2.76	N/A	N/A	N/A
Sourdough	291,150	2.98	1.46	1.71	1.03	29.8
Cabin	125,000	2.18	0.84	4.02	N/A	N/A
Baker Patton	95,000	3.66	0.80	5.28	0.83	56.0
Total	1,624,350	2.81	2.26	0.92	0.24	8.9

Notes:

(1) Values have been converted from the imperial to metric system

(2) Historical resource estimates include (a) a Cerro-Mining-Guggenheim Joint Venture report titled "Feasibility Study for 550 ton per day mine & mill", prepared by Wright Engineers Limited in 1971, reported a "geological ore reserve" 1,113,200 tons at 2.76% Cu at the Pine Bay deposit, (b) a Keys report in 1963 reported a historical resource estimate of 291,150 tons at 1.46% Cu at the Sourdough deposit, (c) a Pine Bay Mines report in 1976 reported a historical resource estimate of 125,000 tons at 0.84% Cu at the Cabin deposit and (d) a Macmillan report in 1968 reported a historical resource estimate of 95,000 tons at 0.80% Cu at the Baker Patton deposit. The historical "geological ore reserve" and resource estimates cited above is mentioned for historical purposes only and uses terminology not compliant with current reporting standards. The reliability of these historical estimates is unknown but considered relevant by the Company as it represents a significant target for future exploration work by the Company. The assumptions, parameters and methods used to calculate this historical resource estimate are not known to the Company. The qualified person has not made any attempt to re-classify the estimates accordingly to current NI 43-101 standards of disclosure or the CIM definitions. In order for these resources to be current, the Company will be required to conduct additional drilling on the Pine Bay Property. The Company is not treating this estimate as current mineral resources or mineral reserves as defined in NI 43-101. Although the Historical resource estimate was also designated as "ore" it cannot be compared to mineral reserves as it is not supported by at least a current pre-feasibility study.

(3) Copper equivalent grades are based on metal prices of: copper US\$3.00/lb, zinc \$1.00/lb, gold US\$1200 per oz, silver US\$20 per oz. Metal recoveries of 100% are applied in the copper equivalent calculation. The copper equivalent calculation is as follows; $Cu\ Eq = Cu\ grade + ((Zn\ grade\%/100 \times 2000 \times Zn\ price) + (Au\ grade/32.15 \times Au\ price) + (Ag\ grade/32.15 \times Ag\ price)/Cu\ price/20)$.

About Callinex Mines Inc.

[Callinex Mines Inc.](#), a Canadian mineral exploration company, is focused on discovering the next copper-zinc rich VMS mine within Manitoba's prolific Flin Flon mining district. The Company's flagship project is the Pine Bay Project which hosts significant historic VMS deposits that are within close proximity to a processing facility. The Flin Flon district has yielded more than 145 million tonnes of production from 32 mines.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 contemplated work programs and the timing and amount of expenditures. Callinex does not assume the obligation to update any forward-looking statement.

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