

Highlights:

- Callinex has agreed to acquire 100% ownership of the Point Leamington Project from [Newmarket Gold Inc.](#);
- The Project hosts an Inferred resource of 14.1Mt grading 6.2% Zn Eq., that starts at surface and extends to a vertical depth of 350m, where high-grade mineralization is open for expansion; and
- The last exploration drilling campaign expanded a high-grade zinc-gold zone and intersected 4.67m of 15.05% Zn, 4.37 g/t Au, 57.88 g/t Ag and 0.36% Cu down-plunge from the mineral resource.

[Callinex Mines Inc.](#) (the "Company" or "Callinex") (TSX VENTURE:CNX)(OTCQX:CLLXF) is pleased to announce that a binding Purchase Agreement (the "Agreement") has been signed to acquire 100% ownership of the Point Leamington Zn-Au-Ag-Cu Volcanogenic Massive Sulphide (VMS) deposit (the "Project") located in north-central Newfoundland, Canada (see Figure 1) from [Newmarket Gold Inc.](#) ("Newmarket"). On July 4, 2013, a Technical Report titled "Technical Report and Resource Estimate on the Point Leamington Property, Newfoundland, Canada" was prepared by Tetra Tech Inc. ("Tetra Tech") for Raystar Capital Inc. / Newmarket and estimated an Inferred mineral resource of 14.1 Mt grading 6.2% Zinc Eq. including 1.86% zinc, 1.07 g/t gold, 17.12 g/t silver and 0.42% copper (See Table 1). The existing mineral resource estimate contains 577 million pounds of zinc, 484,000 ounces of gold, 7,755,000 ounces of silver and 130 million pounds of copper. The project is at an advanced permitting stage and 100% of the mineral resource is contained within a mining license.

Max Porterfield, President & CEO of Callinex, stated, "We are pleased to acquire the advanced-stage Point Leamington deposit, which contains a sizeable, near-surface zinc and gold rich mineral resource located within a leading Canadian mining jurisdiction." Mr. Porterfield continued, "We believe this transaction will increase Callinex's exposure to rising metal prices and compliments our exploration activities near Flin Flon, Manitoba. Our technical team will continue to evaluate acquisition opportunities within established Canadian mining jurisdictions."

A high-grade portion of the deposit is estimated to contain 2.0 million tonnes grading 9.6% Zn Eq. (3.02% Zn, 1.95 g/t Au, 23.09 g/t Ag, and 0.51% Cu) and is open at a vertical depth of 350m, with several high-grade intercepts down-plunge from the mineral resource (See Table 1 and Figure 2). Drill hole PL04-077, the most recent hole drilled, expanded the high-grade zone and intersected 4.67m grading 15.05% Zn, 4.37 g/t Au, 57.88 g/t Ag and 0.36% Cu. Additionally, hole PL-051 intersected 5.65m grading 9.81% Zn, 1.92 g/t Au, 65.58 g/t Ag and 0.55% Cu and hole PL-056 intersected 4.51m 8.84% Zn, 2.27 g/t Au, 81.66 g/t Ag and 0.61% Cu. The mineralization intersected in these holes is down-plunge from the 2013 resource estimate and open for expansion.

The Project also has potential to host additional deposits along strike from the Point Leamington Deposit. Drill hole PL04-073, drilled approximately 275m along strike from the deposit during the most recent exploration campaign, intersected 3.9m grading 5.18% Zn, 1.65 g/t Au, 33.1 g/t Ag and 0.27% Cu (See Figure 2). This area is largely untested at depth and additional drilling may be completed in the future.

Transaction Terms

Callinex has agreed to acquire 100% ownership of the Project and will pay \$115,000 to Newmarket on closing of the transaction and an additional \$400,000 payable in either cash or shares within two years at the election of Callinex. Any shares issued are based on a fixed price per share of \$0.462. In addition, Newmarket will retain a 1.0% Net Smelter Return (NSR) royalty on production from the Project, which can be purchased by Callinex at any time for \$1,000,000.

Point Leamington Project

The Point Leamington Project, consisting of Mining Lease 136(2655), is located approximately 37km by road and trails from the city of Grand-Falls Windsor and approximately 20km from the provincial power grid. The deposit is a large, felsic-hosted VMS deposit that dips 70 degrees to the west, has a strike length of 500m and a maximum thickness of 85m. Massive sulphides have been intercepted to a depth of 360m below surface from a total of approximately 21,714m of drilling in 72 drill holes. Regional government mapping and lithogeochemical sampling has indicated that Point Leamington's host volcanic stratigraphy extends well beyond the vicinity of the deposit. The Project is subject to a 3.5% NSR of which 1.5% may be collectively purchased for \$2 million.

The technical content of this news release has been reviewed and approved by James Pickell, P.Geo, a Consultant to the Callinex, and a Qualified Person as defined by National Instrument 43-101. Mr. Pickell has also reviewed the Technical Report and Resource Estimate prepared by Tetra Tech.

Table 1: 2013 Inferred Mineral Resource Estimate and Sensitivity

Cutoff (Zn Eq%)	Tonnes	Zn Eq (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)
3.00	19,367,000	5.42	1.63	0.95	15.42	0.37	0.02
4.00	14,093,000	6.15	1.86	1.07	17.12	0.42	0.02
5.00	9,669,000	6.91	2.11	1.22	18.55	0.46	0.02
6.00	6,184,000	7.72	2.36	1.41	19.76	0.50	0.02
7.00	3,460,000	8.70	2.69	1.68	21.32	0.52	0.02
8.00	2,038,000	9.58	3.02	1.95	23.09	0.51	0.02

Notes:

1. CIM definition standards were followed for the resource estimate.
2. The 2013 resource models used Inverse Distance grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids.
3. A base cutoff grade of 4.0 % ZnEq was used for reporting resources.
4. Densities varied by rock type and ranged from 2.6 for the volcanics to 3.7 for the massive sulphides.
5. Numbers may not add exactly due to rounding.
6. Zinc Equivalent (ZnEq) calculated using \$0.94/lb for Zinc, \$1.00/lb for Lead, \$3.69/lb for Copper, \$1380 /oz Au for gold and \$22.73/oz Ag for silver and metallurgical recoveries and net smelter returns are assumed to be 100%.
7. Mineral Resources that are not mineral reserves do not have economic viability.
8. 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 and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

Tetra Tech Inc. ("Tetra Tech") of Sudbury, Ontario, Canada has completed the Point Leamington Inferred Resource Estimate at a cut-off grade of 4.0% ZnEq in 2013, The Resource Estimate was prepared by independent qualified person Todd McCracken, P. Geo. of Tetra Tech. The mineral resource estimate is based on the combination of geological modeling, geostatistics and conventional block modeling using the Ordinary Krig methodology of grade interpolation. The mineral resources were estimated using a block model with parent blocks of 10m X 10m X 10m. The geological model including mineralized intercepts was generated by Tetra Tech.

To the best of Callinex's knowledge, information and belief, there is no new scientific or technical information that would make the disclosure of the mineral resources inaccurate or misleading. Pursuant to section 4.2(7)(c) of National Instrument 43-101, Callinex will file a technical report supporting its disclosure of mineral resources on the Point Leamington Property within 180 days after the date of this news release.

To view *Figure 1: Point Leamington Zinc-Gold VMS Project Area Map*, visit the following link:
<http://www.callinex.ca/wp-content/uploads/2016/05/PL-Project-Map.png>

To view *Figure 2: Point Leamington VMS Deposit*, visit the following link:
<http://www.callinex.ca/wp-content/uploads/2016/05/PL-Deposit-Image.png>

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.

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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 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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