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CZN-TSX
CZICF-OTCQB

VANCOUVER, Dec. 14, 2016 /CNW/ - Canadian Zinc Corp. (TSX: CZN; OTCQB: CZICF) ("the Company" or "Canadian Zinc") is pleased to announce that it has closed the previous announced non-brokered private placement of flow-through shares.

The Company issued 6,666,664 common shares, which qualify as flow-through shares (the "FT Shares") of the Company for purposes of the Income Tax Act (Canada) at a price of C$0.30 per FT Share, raising aggregate gross proceeds of C$2,000,000 (the "Placement").

The net proceeds of the Placement will be used to incur eligible Canadian Exploration Expenses and flow-through mining expenditures, as defined under the Income Tax Act (Canada), that will be renounced in favour of the purchasers with an effective date of no later than December 31, 2016.

The funds are intended to be used to explore the Company's properties, which include the Prairie Creek project in the Northwest Territories as well as the Long Lake, Tulks South and South Tally Pond projects in central Newfoundland.

The Company has agreed to pay a finder's fee equal to 6% of the gross proceeds raised in the Placement from purchasers of the FT Shares introduced to the Company by Secutor Capital Management Corp., Canaccord Genuity Corp., and Paradigm Capital Inc.

The FT Shares will be subject to resale restrictions for a period of four months and one day from the closing date of the Placement under applicable securities legislation. Following completion of the Placement, Canadian Zinc has 266,111,543 common shares issued and outstanding.

About Canadian Zinc

Canadian Zinc is a TSX-listed exploration and development company trading under the symbol "CZN". The Company's key project is the 100%-owned Prairie Creek Project, a fully permitted, advanced-staged zinc-lead-silver property, located in the Northwest Territories. Canadian Zinc also owns an extensive land package in central Newfoundland that it is exploring for copper-lead-zinc-silver-gold deposits.

Cautionary Statement – Forward-Looking Information

This press release contains certain forward-looking information, including, among other things, the expected completion of acquisitions and the advancement of mineral properties. This forward looking information includes, or may be based upon, estimates, forecasts, and statements as to management's expectations with respect to, among other things, the completion of transactions, the issue of permits, the size and quality of mineral resources, future trends for the company, progress in development of mineral properties, future production and sales volumes, capital costs, mine production costs, demand and market outlook for metals, future metal prices and treatment and refining charges, the outcome of legal proceedings, the timing of exploration, development and mining activities, acquisition of shares in other companies and the financial results of the company. There can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that mineral resources will be converted into mineral reserves.

Cautionary Note to United States Investors

The United States Securities and Exchange Commission ("SEC") permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this press release, such as "measured," "indicated," and "inferred" "resources," which the SEC guidelines prohibit U.S. registered companies from including in their filings with the SEC.

SOURCE Canadian Zinc Corp.

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