Highlights

- Drill Hole SJ17-90 intersected 2.7m of massive sulphides grading 6.2% Zn Eq. (4.4% Zn, 0.9% Pb, 0.3% Cu and 17.5 g/t Ag) at a starting depth of 40.4m including 0.5m of 20.4% zinc;
- The new mineralized VMS horizon has been intersected in a second drill hole approximately 100m vertically below where assay results are pending; and
- A borehole pulse electromagnetic survey on drill holes SJ17-90 and SJ17-88 identified several conductors including a 300m by 500m target associated with this new discovery.

VANCOUVER, Sept. 20, 2017 /CNW/ - Callinex Mines Inc. (the "Company" or "Callinex") (TSX-V: CNX; OTCQX: CLLXF) is pleased to announce that drill hole SJ17-90 has discovered a new zinc-rich volcanogenic massive sulphide ("VMS") zone along what appears to be a third mineralized VMS horizon at the Superjack Project located in the Bathurst Mining District of New Brunswick (See Figure 1). Drill Hole SJ17-90 intersected 2.7m of massive sulphides grading 6.2% Zn Eq. (4.4% Zn, 0.9% Pb, 0.3% Cu and 17.5 g/t Ag) at a starting depth of 40.4m including 0.5m of 20.4% zinc (See Figure 2). A second drill hole, SJ17-88, was extended to intersect this new horizon approximately 100m below drill hole SJ17-90 and also intersected massive sulphide mineralization where assay results are pending. These are the only known holes to have been drilled across this newly recognized horizon.

Max Porterfield, President and CEO, stated, "The discovery of a new near-surface zone confirmed by two of our first four drill holes underscores the exciting exploration potential of the Superjack Project. This new zone represents a compelling near-surface exploration opportunity and also confirms that several EM conductors, previously assumed to be formational, will need to be drill tested. These results, combined with recently released results from the nearby Nash Creek Project, clearly demonstrates the exploration upside within our project portfolio."

A subsequent borehole pulse electromagnetic ("BPEM") survey completed on drill holes SJ17-90 and SJ17-88 identified multiple conductors including a 300m by 500m target associated with this new discovery (See Figure 2). Interestingly, massive sulphide mineralization appears sandwiched between conductive graphitic argillites. These conductors, along with many others, were identified by a 1992 horizontal loop electromagnetic ("HLEM") survey but were never tested. Callinex is currently conducting a large deep penetrating pulse electromagentic ("DPEM") survey in order to further evaluate several of the untested electromagnetic ("EM") targets along strike from the newly discovered massive sulphide mineralization.

This new zone was intersected in hole SJ17-90 by drilling in an attempt to test a large gravity target at depth. The drill hole began to deviate and had to be abandoned at a downhole depth of 243m deep as it would not have intersected the primary gravity target, which remains untested. This new zone appears to indicate that tight isoclinal folding has occurred along the Nepisiguit Falls Formation, the primary host rocks for the Bathurst Mining District, rather than a syncline. The relationship of this new zone to the A, B and C zones is unclear based on limited drilling outside of the mineralized zones.

Drilling is ongoing at the Superjack Project where a six holes totaling 3,434m have been completed to date. Callinex anticipates that the drill rig will be moved to the Nash Creek Project in late-September before returning to the Superjack Project later in 2017.

Callinex is also announces that it has granted 150,000 stock options to its Chairman at a price of $0.38 per share. The purpose of the grant is to replace the Chairman's options that recently expired. The options are subject to certain vesting provisions and expire five years from the date of the grant.

Jason Levers, P.Geo, a qualified person under National Instrument 43-101 and a Staff Geologist for Callinex, has reviewed and approved the technical information in this news release

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

Figure 2: 3D View Looking Southwest of the Superjack A, B, C and D Zones

Table 1: Superjack Drill Results

Superjack Drill Results[1][2][3]								
Drill Hole	From (m)	To (m)	Interval (m)	Zn Eq. (%)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)
SJ17-90	40.4	43.1	2.7	6.22	4.40	0.89	0.27	17.49
including								

0.5

21.79

0.47

0.30

Notes[1][2][3]:

1. Zinc equivalent grades are based on the following metal prices: zinc US$2,525/t (1.15/lb), lead US$2,205/t (1.00/lb), copper US$6,000/t ($2.72/lb) and silver US$18.0 per oz. Metal recoveries of 100% were applied in the metal equivalent calculations. The zinc equivalent calculation is as follows: ZnEq = 100 ((Ag Price in (g) x Ag Grade) + (Pb Price*2204.6 x Pb Grade(%)/100) + (Cu Price*2204.6 x Cu Grade(%)/100) + (Zn Price*2204.6 x (Zn Grade(%)/100))/Zn Price*2204.6).
2. The numbers may not add due to rounding.
3. True widths are not currently known.

Table 2: 2016 Mineral Resource Estimates for the Nash Creek and Superjack Projects

Notes:

Indicated Mineral Resources						
Project	Zn Eq. (%)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Contained Zn Eq. ('000 pounds)
Nash Creek	3.58	2.79	0.57	18.16	n/a	711,991
Total	3.58	2.79	0.57	18.16	n/a	711,991
Inferred Mineral Resources						
Project	Zn Eq. (%)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Contained Zn Eq. ('000 pounds)
Superjack	4.63	3.01	0.78	29.46	0.27	327,618
Nash Creek	3.58	2.83	0.57	15.51	n/a	87,883
Total	4.36	2.96	0.73	25.87	0.20	415,501

1. Resources are categorized according to CIM Definition Standards; it cannot be assumed that all or any part of Inferred Mineral Resources will be upgraded to Indicated or Measured as a result of continued exploration.
2. The Nash Creek mineral resource estimate includes the Hickey Zone and Hayes Zone.
3. The Superjack mineral resource estimates includes the Nepisiguit A (the "A Zone") and Nepisiguit C Zones (the "C Zone").
4. Zinc equivalent resources for the Nash Creek Project were calculated using metal prices of $0.90/lb for zinc, $0.87/lb for lead, and $17.73/oz for silver. Metallurgical recoveries have been assumed to be 90.5% for zinc, 81.5% for lead and 50% for silver. A cut-off grade of 2.0% Zn Eq. was utilized in the resource estimate.
5. Zinc equivalent resources for the Superjack Project were calculated using metal prices of $1.12/lb for zinc, $1.06/lb for lead, $2.97/lb for copper and $20.38/oz for silver. Metal recoveries have been assumed to be 100% for zinc, 72% for lead, 86% for copper and 70% for silver. A cut-off grade of 1.5% Zn Eq. was utilized in the resource estimate.

Table 3: NQ Diamond Drill Hole Data

Hole ID	UTM Zone 19T NAD 83 East	UTM Zone 19T NAD 83 North	Elevation (m)	Azimuth (º N UTM)	Dip (º)	Length (m)
SJ17-90	724140	5251310	253	300	-75	243

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), G0_ICP13B Ore Grade, Aqua Regia digest/ICP-AES. Ag >10ppm was analyzed by ICP and GO_XRF77B-pyrosulfate fusion.

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 drilling these projects in support of an updated resource estimate and maiden PEA planned for Q1 2018.

Additionally, Callinex is actively 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.

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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