LeadFX Inc. - Paroo Station Lead Mine and Corporate Affairs Update

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(All dollar amounts are in U.S. dollars unless otherwise indicated)

PERTH, Australia, Nov. 20, 2017 /CNW/ - LeadFX Inc. (the "Company" or "LeadFX") (TSX: LFX) today provides an update on the status of the definitive feasibility study for a proposed hydrometallurgical facility at the Company's 100% owned Paroo Station lead mine in Western Australia and its corporate affairs.

Paroo Station Lead Mine - 70,000tpa Hydrometallurgical Facility Definitive Feasibility Study

InCoR Energy Materials Limited is financing the completion of a definitive feasibility study into the technical and financial viability of producing up to 70,000 tonnes per annum of lead ingots from the Paroo Station lead mine ("DFS"). Lead ingots would be produced from a special purpose hydrometallurgical facility to be built on site, adjacent to the existing concentrator facility, treating the flotation concentrate to produce lead ingot.

The DFS is being prepared by global engineering and construction firm SNC-Lavalin (TSX: SNC) out of their Perth office. The preparation of the DFS has advanced with DFS-level engineering, design and estimation nearing completion, subject to the remaining test work programs.

A variability test work program designed to simulate the life of mine concentrate feed to the hydrometallurgical facility has commenced. A hydrometallurgical pilot plant has been assembled at ALS Metallurgy laboratory premises in Balcatta, Perth to simulate the ore to finished product flowsheet. A 20t bulk ore sample has been delivered from site and a pilot flotation circuit has been used to prepare concentrates for the pilot plant. The pilot plant will treat these concentrates to produce lead cathode over a period of up to two weeks, expected to commence on or around November 23, 2017. Accordingly, management expects the DFS to be completed later in December 2017.

The existing mine is fully permitted to mine and produce lead concentrates and to transport those concentrates to the port of Fremantle, Western Australia for export. LeadFX management has met with representatives from the Office of Environmental Protection Authority ("EPA") to discuss the permitting process for the hydrometallurgical facility and proposed mine expansion, and plan to submit referral documentation in January 2018 to allow the EPA and other regulatory agencies to commence their assessment process.

Corporate Affairs

In August 2017 LeadFX announced that each of Enirgi Group Corporation ("Enirgi Group") and Enirgi Group Services Australasia Pty Ltd, a wholly owned subsidiary of Enirgi Group, had provided the Company and Rosslyn Hill Mining Pty Ltd ("RHM) - owner of the Paroo Station lead mine - respectively notice to terminate their respective management services agreements following a transition period of up to 90 days. The transitional period concludes today November 20, 2017.

The management of LeadFX has now been relocated to Perth to reflect the increasing focus of the Company on the re-start process for the Paroo Station lead mine. All corporate, finance, investor relations, regulatory affairs and administration functions are based out of Perth. Moreover, each of the Company's key technical service contributors to the Paroo Station lead mine DFS and its operations are within short distance of key management. LeadFX's head office and mailing address is now: Suite 1D, 21 Teddington Street, Burswood, Perth, Western Australia 6100.

A number of office holders of LeadFX have either ended or end their association with LeadFX today

including the Company's Chief Financial Officer Mr. Lincoln Greenidge. The position of Chief Financial Officer will be filled on an interim basis by Mr. Michael Roach who is expected to commence with LeadFX on 18 December 2017. Michael is a CPA with a Bachelor of Commerce degree from Curtin University in Perth. Michael has worked for RHM on two previous occasions and understands the Company's finance and accounting systems well. We look forward to Michael joining the Company. The Board of Directors thanks Lincoln for his dedicated service to LeadFX and wishes him every success for the future.

Commenting on the transition Chief Executive Officer Andrew Worland stated "I would like to thank the Enirgi Toronto and Melbourne teams, in particular my predecessor Rob Scargill, for the highly professional way in which they have undertaken the transition of management services and handover of corporate, financial, investor and regulatory affairs knowledge. Without exception staff have been very gracious with their time and I wish each of them well.

North American lead assets

The Company has a majority ownership position in Chief Consolidated Mining Company ("Chief"), and Chief owns mining properties in the State of Utah, United States. Chief has entered into an agreement with the Utah Division of Oil, Gas and Mining to extend the mining permits on properties owned by Chief and associated with the historic Burgin mines in the Tintic District in Utah. The Company is considering ways to monetize or divest its investments in the region. LeadFX has received expressions of interest from a number of parties to participate in the future development plans for the properties. In the week beginning November 6, 2017 the Company hosted some of these parties on site as they undertook initial due diligence.

Strategic Focus

Management's focus is geared toward bringing the Paroo Station lead mine into production as a lead ingot producer in the shortest possible timeframe. Key tasks required to achieve this include, but are not limited to:

- Completing and release the results of the hydrometallurgical facility DFS and a new life of mine economic model for the Paroo Station lead mine;
- Initiate value engineering on improvement opportunities identified in the DFS;
- Expedite the approvals process for the hydrometallurgical facility;
- Manage and secure the Company's working capital position through June 2018 and beyond, including refinancing of the existing secured debt due to Sentient on 28 February 2018;
- Subject to the outcomes of the DFS and working capital availability, commence early works and procurement of long lead items; and
- Securing full project financing for the hydrometallurgical facility.

About LeadFX

LeadFX is a Toronto Stock Exchange listed ("LFX"), Australian based, mining company focused on the development of its lead and lead-silver projects located in Australia and North America. The Company's primary undertaking is the Paroo Station lead mine. The Paroo Station lead mine is located 30km west of the town of Wiluna in Western Australia (refer Figure 1). The Company also owns an 83.5% interest in the Burin mines and surrounding land claims in the Tintic mining district 60 miles south-east of Salt Lake City, Utah and exploration interests in the Amber Mineral belt in Alaska.

The Paroo Station lead mine has been on care and maintenance since January 2015 (refer Figure 2). A dedicated staff of plant operators and technicians have undertaken consistent structural and integrity checks of plant and equipment, run mills at regular intervals and maintained the flotation tanks ensuring the plant can be re-started and brought back to pre-closure production levels within months.

We refer readers to the Company's Annual Information Form dated February 23, 2017 as filed on SEDAR (wwww.sedar.com) and the Company's website www.leadfxinc.com for details of historical production performance for the Paroo Station mine and the NI43-101 Technical Report on the Paroo Station Lead Carbonate Mine, Wiluna, Western Australia dated March 10, 2015 for prepared by SRK Consulting (Australasia) Pty Ltd for details on Mineral Resources

Forward-Looking Statements

This news release may contain "forward-looking statements" within the meaning of applicable Canadian securities laws. Examples of forward-looking information in this news release includes but is not limited to statements and information concerning the timin timing and length of care and maintenance at Paroo Station, future sales, future targets and estimates for production and sales, the receipt and timing of required additional financing to restart and operate Paroo Station, statements relating to the business and future activities of, and developments related to LeadFX, future lead production, the timing and future benefits of the transaction with InCoR, the anticipated benefits of the Technology at Paroo Station, the possible extension of mine life from application of the Technology, the anticipated cost and timing of delivery of the DFS and success of pilot trials, the timing an ability to obtain regulatory approvals to build a hydrometallurgical facility, the application of the Technology to future projects and strategic endeavors, the timing of exercising the Warrants, the feasibility, cost and timing of constructing a hydrometallurgical processing facility at Paroo Station, the Company's ability to meet its working capital needs and debt repayments in the near term, the timing and ability of the Company to sell its interests in Chief Consolidated Mining Company, the circumstances or timing and costs surrounding a restart of the Paroo Station, , projections with respect to cash flows and working capital, the cost and timing for completion of capital projects necessary for any future operations, the Company's ability to comply with the transportation and operating conditions for the Paroo Station, capital expenditures, operating costs, cash costs, Mineral Resources, Mineral Reserves, life of mine, recovery rates, grades and prices, business strategies and measures to implement such strategies, competitive strengths, estimated goals and plans for LeadFX's future business operations, commodity prices outlook and other such matters. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "contemplate", "target", "believe", "plan", "estimate", "expect", and "intend" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Forward-looking information by its nature requires assumptions and involves 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 forward-looking information, and readers are cautioned not to place undue reliance on such information. These statements are based upon certain reasonable factors, assumptions and analyses made by management in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. However, whether actual results and developments will conform with management's expectations is subject to a number of risks and uncertainties, including, the potential benefits from the Technology, the ability to deploy or prove up the Technology on a commercial scale, expected concentrate sales when in operations, the costs and other capital expenditures required to maintain operations and transportation, the timing, need and ability to raise any additional financing and the risks relating to ramping up mining and milling throughput and operations, funding requirements, the need to secure approval of secured creditor and majority shareholder, operations being placed on care and maintenance, the restart of mining and milling operations, matters relating to regulatory compliance and approvals, the potential for shareholder dilution from the Warrants, matters relating to public opinion, presence of a majority shareholder and management services agreements with Enirgi Group Corporation, matters related to the Esperance settlement and shipments through the Port of Fremantle, regulatory proceedings and litigation and general operating risks such as metal price volatility, lead carbonate concentrate treatment charges, exchange rates, the fact that the Company has a single production-stage mineral property, health and safety, environmental factors, mining risks, metallurgy, labour and employment regulations, government regulations, insurance, dependence on key personnel, constraints on cash distribution from Paroo Station, the nature of mineral exploration and development and common share price volatility.

Additional factors and considerations are discussed in the Company's 2016 Annual Information Form and elsewhere in other documents filed from time to time by LeadFX with Canadian securities regulatory authorities. While LeadFX considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. These factors may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and there can be no assurance that the actual results or developments anticipated by management will be realized or, even if substantially realized, that they will have the expected results on the Company. Undue importance should not be placed on forward-looking information nor should reliance be placed upon this information as of any other date. Except as required by law, while it may elect to, LeadFX is under no obligation and does not undertake to update this information at any particular time.

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