Callinex Mines Inc. Announces Gold/Copper/Zinc Mineral Resource Estimate at Point Leamington

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Highlights:

- Pit-Constrained Indicated Mineral Resource Estimate of 5.0 Mt grading 2.49 g/t AuEq and Inferred Mineral Resource Estimate of 13.7 Mt grading 2.24 g/t AuEq;

- Out-of-Pit Inferred Mineral Resource Estimate of 1.7 Mt grading 3.06 g/t AuEq; and

- The last exploration drilling campaign expanded a high-grade zinc-gold zone which intersected 4.67m of 15.05% Zn, 4.37 g/t Au, 57.88 g/t Ag and 0.36% Cu.

VANCOUVER, Oct. 25, 2021 - Callinex Mines Inc. (the "Company" or "Callinex") (TSXV: CNX) (OTC: CLLXF) is pleased to announce an Updated Mineral Resource Estimate at the Company's 100% owned Point Leamington Deposit, Newfoundland (the "Project"). This Project hosts a VMS deposit (the "Deposit") with significant gold, copper and zinc mineralization that is open for expansion (Pt. Leamington Deposit 3D View). The Deposit is located within a mineral lease and accessible by road and trails approximately 37km from the city of Grand-Falls Windsor and 20km from the clean hydroelectric provincial power grid (District Overview Map). The Mineral Resource Estimate was prepared by P&E Mining Consultants Inc. ("P&E") for Callinex.

The Point Leamington Mineral Resource Estimate consists of a pit constrained Indicated Mineral Resource of 5.0 Mt grading 2.5 g/t gold equivalent ("AuEq") for 402 koz AuEq (145.7 koz gold ("Au"), 60.0 Mlb copper ("Cu"), 153.5 Mlb zinc ("Zn"), 2.0 Moz silver ("Ag"), 1.5 Mlb lead ("Pb")), an pit constrained Inferred Mineral Resource of 13.7 Mt grading 2.24 g/t AuEq for 986.5 koz AuEq (354.8 koz Au, 110.2 Mlb Cu, 527.3 Mlb Zn, 6.2 Moz Ag, 7.0 Mlb Pb) and an out-of-pit Inferred Mineral Resource of 1.7 Mt grading 3.06 g/t AuEq for 168.5 koz AuEq (65.4 koz Au, 13.3 Mlb Cu, 102.9 Mlb Zn, 1.4 Moz Ag, 2.6 Mlb Pb). See Table 1 on the breakdown of metal components that comprise the AuEq disclosure.

Max Porterfield, President & CEO of Callinex Mines stated, "The Point Leamington Mineral Resource Estimate with an Inferred Mineral Resource of over 1.1 million gold equivalent ounces coupled with an Indicated Mineral Resource of over 400 thousand gold equivalent ounces is significant in that we have now demonstrated a large, near surface deposit in the heart of Newfoundland. We plan to aggressively advance this project by completing additional metallurgical test work in tandem with exploration. This project fits in nicely with our attractive Canadian portfolio, as we continue to unlock substantial value for our shareholders."

Table 1: Point Leamington Resource Estimate Summary

Indicated Mineral Resource Estimate [1-8]

Resource Area	Tonnes (k)	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au koz	Ag Moz	Cu Mlb	Pb Mlb	Zn Mlb	AuEq g/t	AuEq koz
Pit Constrained	5,013	0.90	12.2	0.54	0.01	1.39	145.7	2.0	60.0	1.5	153.5	2.49	402.0
Total	5,013	0.90	12.2	0.54	0.01	1.39	145.7	2.0	60.0	1.5	153.5	2.49	402.0

Inferred Mineral Resource Estimate [1-8]

Resource Area	Tonnes (k)	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au koz	Ag Moz	Cu Mlb	Pb Mlb	Zn Mlb	AuEq g/t	AuEq koz
Pit Constrained	13,727	0.80	14.04	0.36	0.02	1.74	354.8	6.2	110.2	7.0	527.3	2.24	986.5
Out-of-Pit	1,713	1.19	25.5	0.35	0.07	2.72	65.4	1.4	13.3	2.6	102.9	3.06	168.5
Total	15,440	0.90	15.3	0.36	0.03	1.85	420.2	7.6	123.5	9.6	630.1	2.33	1,155.0

Notes:

(1) Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability.

(2) The estimate of Mineral Resources may be materially affected by environmental permitting, legal title, taxation, socio-political, marketing or other relevant issues.

(3) Resources are categorized according to Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards (2014) and CIM Best Practices (2019);

(4) The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(5) The Pit-Constrained Indicated and Inferred Mineral Resource Estimate uses a NSR Cut Off of CDN$25/t, and the out-of-pit Inferred Mineral Resource Estimate uses a NSR Cut Off of CDN$75/t.

(6) Gold equivalent Mineral Resources for the Point Leamington Project were calculated using the following metal prices: Au at US$1,625/oz, Cu at US$3.50/lb, Zn US$1.20/lb, Ag at US$21/oz. Foreign exchange rate of CDN$1.00 = US$0.77.

(7) Metallurgical recoveries have been estimated to be 75% gold, 80% copper, 85% zinc and 25% silver.

(8) Smelter payables have been estimated to be 85% gold, 90% copper, 85% zinc and 90% silver.

There is an opportunity to significantly expand a higher-grade portion of the Deposit with additional drilling at depth. The most recent hole drilled in 2004, PL04-077, intersected 4.67m grading 4.37 g/t Au, 15.05% Zn, 57.88 g/t Ag and 0.36% Cu. and PL-056 which intersected 4.51m 2.27 g/t Au, 8.84% Zn, 81.66 g/t Ag and 0.61% Cu are the two deepest holes to intersect the Deposit. Drill holes PL04-077 and PL-056 are located 150 metres apart with no cut-off holes below the 435 metre level (Pt. Leamington Longsection).

The Project also has potential to host additional tonnage along strike from the Point Leamington Deposit. Drill hole PL04-073, drilled 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). The Company is currently reprocessing historic borehole pulse Electromagnetic data surrounding the largely untested area and additional drilling may be completed in the future.

The Point Leamington Deposit style of mineralization, alteration, and host rocks suggests that it is a Kuroko-type VMS deposit hosted in Cambro-Ordovician age rocks, which are similar to the past producing Buchans and Duck Pond Mines in the area. The massive sulphides occur at a transitional period between altered felsic volcanics (dominantly flows, breccias, and pyroclastic) and a sedimentary / mafic volcanic sequence. As a result of reviewing historical regional data, the Company believes that there is significant opportunity to discover additional deposits with further exploration efforts.

Resource Estimate Assumptions

The Mineral Resource Estimate was generated using inverse distance cubed for gold and silver and inverse distance squared for zinc, copper and lead, for grade interpolation within a 3-D block model, constrained by

mineralized zones defined by wireframes solid models. The bulk density values used in the Mineral Resource Estimate were derived from a regression equation based on data measured from samples collected from Noranda drill core stored at the Newfoundland Department of Natural Resources Core Storage Facility in St. John's, Newfoundland.

The database for the Mineral Resource Estimate consisted of 94 drill holes totaling 28,172 m, of which a total of 57 drill holes totaling 15,660 m intersected the mineralization wireframes used for the Mineral Resource Estimate. The drill hole database contained assays for gold, zinc, copper, silver and lead as well as other metals of no economic importance. In June 2020 and May 2021, P&E carried out data verification on the historical database with a 168 sample drill core selection program from the Department of Natural Resources drill core storage facility in St. John's, Newfoundland.

The CDN$/t NSR values were calculated to determine the potentially economic portions of the pit constrained and out-of-pit constrained mineralization. The calculations included:

Particular	Value
USD:CAD Exchange Rate	0.77
Au Price	US$1,625/oz
Zn Price	US$1.20/lb
Cu Price	US3.50/lb
Ag Price	US$22/oz
Pb Price	Not used
Au Process Recovery	75%
Zn Process Recovery	85%
Cu Process Recovery	80%
Ag Process Recovery	25%
Au Smelter Payable	85%
Zn Smelter Payable	85%
Cu Smelter Payable	90%
Au Smelter Payable	85%
Zn Smelter Treatment	US$220/t
Cu Smelter Treatment	US$80/t
Au Smelter Treatment	US$100/t
Concentrate Freight	CDN$90/t
Open Pit Mining Cost	CDN$2.25/t mined
Out-of-Pit Mining Cost	CDN$60/t mined
Processing Cost	CDN$14/t processed
G&A	CDN$3/t processed
Concentrate Freight & Smelter	CDN$8/t processed

The C$/t NSR values of blocks were determined with the following formula:

C$/t NSR = (Au g/t x 37.92) + (Cu % x 66.67) + (Zn % x 15.68) + (Ag g/t x 0.19) + (Pb% x 0)

The pit-constrained Mineral Resource model was determined with a pit optimization, to ensure a reasonable assumption of potential economic extraction. The following are the parameters utilized in pit optimization:

C$/t NSR Values	See NSR parameters above
Mineralized Material Mining Cost	CDN$2.25/t mined
Waste Rock Mining Cost	CDN$2.00/t mined
Overburden Mining Cost	CDN$1.50/t mined
Process Cost	CDN$14/t processed
General & Administrative Cost	CDN$3/t processed
Concentrate Freight & Smelter	CDN$8/t processed
Process Capacity	4,000 tpd
Pit Slopes	50 Degrees

Engages a Mining Consultant, Capital Markets Advisory CA

The Company also announces that it has engaged Capital Markets Advisory CA to increase awareness and the profile of the Company in the investment community, including introducing the Company to institutional investors. In consideration for these services, the Company has agreed to pay $6,000 per month and grant 25,000 stock options at a price of $[3.00] per share for a period of [five] years from the date of grant. The options will vest and become exercisable on a quarterly basis over a twelve month period. The term of the agreement is for a minimum of 6 months and may be terminated by either party with 30 days written notice. Capital Markets Advisory CA is controlled by Karen Mate.

Qualified Person

The contents of this news release have been reviewed and approved by J.J. O'Donnell, P. Geo, Exploration Manager to the Company, and by Eugene Puritch, P.Eng, FEC, CET, President of P&E Mining Consultants, who is independent of the Company. Messrs O'Donnell and Puritch are Qualified Persons as defined by NI 43-101. Mr. O'Donnell, P. Geo., is the Qualified Person for all technical information in this news release, excluding the 2021 Resource Estimate.

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.

About Callinex Mines Inc.

Callinex Mines Inc. (TSXV: CNX) (OTC: CLLXF) is advancing its portfolio of rich VMS deposits located in three established Canadian mining jurisdictions. The portfolio is highlighted by it's high grade Copper/Zinc Pine Bay Project in Flon Flon, Manitoba, located 25km to an operating processing facility that requires additional ore; the companies high grade VMS deposit, Nash Creek, in New Brunswick with a 2018 PEA that generates a strong economic return with a pre-tax IRR of 34.1% (25.2% post-tax) and NPV8% of $230 million ($128 million post-tax) at $1.25 zinc. The projects have significant exploration upside over a district-scale land package that encompasses several high-grade mineral occurrences along a 20km trend. In addition, the Point Leamington Project in Newfoundland that hosts a large, high grade VMS rich, felsic-hosted deposit.

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 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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