Callinex Mines Inc. Announces Targets from Regional IP and EM Surveys at Pine Bay Project in the Flin Flon Mining District

02.02.2022 | CNW

Highlights:

- Three high-priority targets identified by modern Induced Polarization ("IP") and Surface Pulse Electromagic ("SPEM") Surveys;
- Callinex previously utilized these modern IP and SPEM surveys to locate the high-grade Rainbow deposit; and
- The 5.5km trend currently hosts the high-grade Rainbow deposit, Sourdough deposit and past-producing Centennial Mine.

VANCOUVER, Feb. 2, 2022 - Callinex Mines Inc. (the "Company" or "Callinex") (TSXV: CNX) (OTCQX: CLLXF) is pleased to announce three exploration target areas at the Company's 100% owned Pine Bay Project, located 16km away from processing facilities in the Flin Flon Mining District of Manitoba. The Company has outlined a number of high-priority targets from the regional OreVision® Induced Polarization ("IP") survey by Abitibi Geophysics and Surface Pulse Electromagnetic ("SPEM") survey by Koop Geotechnical that covers 5.5km of the trend that hosts the Rainbow and Sourdough deposits and past producing Centennial Mine further to the south (Pine Bay Project Plan View with IP and SPEM).

Max Porterfield, President and CEO, stated, "We are eager to drill test these exciting new targets and more to come as we continue to outline our 2022 exploration plans. Induced Polarization coupled with borehole pulse electromagnetics was key to discovering the high-grade Rainbow Deposit in 2020." Mr. Porterfield continued, "We have now expanded that same exploration approach on a regional scale with the recent IP and EM surveys announced today."

The high-grade Rainbow Deposit ("Rainbow") was discovered by drill testing targets derived from Abitibi Geophysics OreVision® IP chargeability isoshells located within favourable geology and subsequently vectoring to the copper, zinc, gold and silver bearing volcanogenic massive sulphides ("VMS") utilizing a Borehole Pulse Electromagnetic survey ("BPEM") down the drill hole (Pine Bay Project 3D View Looking Down and West, Pine Bay Project 3D Long Section).

JJ O'Donnell, Exploration Manager, stated, "The major exploration efforts completed since the Rainbow discovery has provided the Callinex team with a better understanding and the tools needed to continue to add value to the extensive Pine Bay land package. With this multi-discipline approach, our team is excited to test the new high-priority targets."

Jim Pickell, member of Callinex's technical team, added, "When coupled with Callinex's ongoing modern 3D rethink of the geological and geochemical patterns at Pine Bay, it's great to see a new geophysical technique being successfully employed and adding several obvious high-priority exploration targets to the mix. I especially like where these emerging IP targets are located in the overall Pine Bay geological setting."

Target Area 1 - Rainbow South

Target Area 1 was highlighted for drilling based on a large 250m by 650m, moderately strong chargeability isoshell (>25 mV/V) that may be associated with a pyritic footwall alteration envelope as at the nearby Rainbow. The northern edge of the IP chargeability high is also semi-coincident with a SPEM anomaly that was targeted for testing by drill hole PBM-120. Drill hole PBM-120 intersected highly prospective, strongly sericitized felsic volcanics starting at its 1,149 metre mark and which are immediately along strike to the south from similarly altered volcanics hosting Rainbow. A subsequent BPEM survey was conducted but was unsuccessful due to the overwhelming masking effects of a near-surface formational conductor intersected

early in the hole. The Company will attempt a new BPEM survey with a modified loop layout in the near future prior to drill testing.

Target Area 2 - Sourdough North

Target Area 2 is targeting a 750m long by 150m wide, locally very strong IP chargeability isoshell (>50mV/V) coincident with two newly identified SPEM anomalies modeled from surveys completed in 2021. Drill hole SDB-007, a shallow 294.5m hole drilled immediately to the south, intersected coarse heterolithic debris flows dominated by large felsic volcanic clasts along with the occasional sphalerite-pyrite-chalcopyrite clasts. A subsequent BPEM survey was conducted and identified an off-hole anomaly to the north that is coincident to the newly identified IP chargeability and SPEM anomalies.

Target Area 3 - Sourdough Down Plunge

Target Area 3 is targeting the down plunge extension of the historic Sourdough deposit, which a previous operator prepared a historic resource estimate of 291,150 tons at 1.46% copper ("Cu"), 1.71% zinc ("Zn"), 1.03 g/t gold ("Au") and 29.8 g/t silver ("Ag")*. The recently completed IP survey revealed the top of a chargeability isoshell that coincides with the two deepest and most recent intersections in the Sourdough deposit, SDB-001 and SDB-004. Drill hole SDB-004 intersected 4.85m of 1.70% copper equivalent ("CuEq") consisting of 1.04% Cu, 0.6 g/t Au, 8.47 g/t Ag and 0.45% Zn including 0.65m of 3.81% CuEq (2.11% Cu, 1.09 g/t Au, 21.60 g/t Ag and 2.01% Zn).

A subsequent BPEM survey completed on SDB-004 modeled a plate that is 200m wide by 575m deep and suggests the deposit continues at depth. Based on the recent near surface intercepts at the Rainbow the Company believes there is strong potential for the grades of the Sourdough deposit to improve at depth.

The Company is developing a 2022 exploration program for these high priority targets and targets soon to be outlined along the interpreted growth fault corridor that hosts Rainbow and five other deposits, three of which have seen some level of historic production.

About the Pine Bay Project

Callinex's Pine Bay Project encompasses the majority of the Baker Patton Complex (BPC), the largest exposed felsic (rhyolitic) volcanic accumulation in the Flin Flon portion of the Flin Flon-Snow Lake Greenstone Belt. This is especially important since the majority of the VMS deposits occurring within the Flin Flon Belt of Saskatchewan and Manitoba are almost always hosted by rhyolitic flows and volcaniclastic rocks within predominantly mafic terranes. Of additional importance is that these felsic (rhyolitic) rocks only account for a small portion of the total volcanic pile (5-10%). Of particular exploration interest to Callinex's Pine Bay Project, is the very large exposure of intensely altered (chloritic, sericitic and silicic alteration) felsic rocks that have collectively been called the Baker Patton Alteration Zone, encompassing an area with a minimum of a 700m by 1000m footprint. A very large footwall alteration system such as this would normally be expected to be accompanied by a large VMS system and has consequently been the target of many exploration companies preceding Callinex.

J.J. O'Donnell, P.Geo, a qualified person under National Instrument 43-101, has reviewed and approved the technical information in this news release.

Historical Resource Estimate on Sourdough Deposit

In 1963, a Keys report disclosed a historical resource estimate of 291,150 tons at 1.46% Cu, 1.71% Zn, 1.03 g/t Au and 29.8 g/t Ag at the Sourdough deposit. The historical resource estimate is mentioned for historical purposes only and uses terminology not compliant with current reporting standards. The reliability of these historical estimates is unknown but considered relevant by the Company as it represents a significant target for future exploration work by the Company. The assumptions, parameters and methods used to calculate this historical resource estimate are not known to the Company. The qualified person has not made any attempt to re-classify the estimates according to current NI 43-101 standards of disclosure or the CIM definitions. In order for these resources to be current, the Company will be required to conduct additional

drilling at the Sourdough deposit. The Company is not treating this estimate as current mineral resources or mineral reserves as defined in NI 43-101.

About Callinex Mines Inc.

Callinex Mines Inc. (TSXV: CNX) (OTCQX: CLLXF) is advancing its portfolio of base and precious metals rich deposits located in established Canadian mining jurisdictions. The focus of the portfolio is highlighted by the rapidly expanding Rainbow Discovery at its rich VMS Pine Bay Project located near existing infrastructure in the Flin Flon Mining District. The second asset in the portfolio is the Nash Creek Project located in the VMS rich Bathurst Mining District of New Brunswick. A 2018 PEA 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 third asset, 100% owned Point Leamington Deposit in Newfoundland, is located in one of the richest VMS and Gold Districts in Canada. Callinex prepared a pit constrained Indicated Mineral Resource of 5.0 Mt grading 2.5 g/t AuEq for 402 koz AuEq (145.7 koz gold, 60.0 Mlb copper, 153.5 Mlb zinc, 2.0 Moz silver, 1.5 Mlb lead), an pit constrained Inferred Mineral Resource of 13.7 Mt grading 2.24 g/t AuEq for 986.5 koz AuEq (354.8 koz gold, 110.2 Mlb copper, 527.3 Mlb zinc, 6.2 Moz silver, 7.0 Mlb lead) 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 gold, 13.3 Mlb copper, 102.9 Mlb zinc, 1.4 Moz Ag, 2.6 Mlb lead).

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.

SOURCE Callinex Mines Inc.

Contact
Callinex Mines Inc., Max Porterfield, President and Chief Executive Officer, Phone: (604) 605-0885, E-mail: info@callinex.ca