Callinex Intersects 7.9m of 2.5% Zn and 0.42 g/t Au in the Flin Flon Mining District

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Highlights

- Callinex completes maiden drilling campaign at the Big Island Project and intersects 7.9m of 2.5% Zn and 0.42 g/t Au;
- Borehole surveys identified a geophysical target with a strike extent of 450m and a plunge extent of 675m at the Tara Lake Deposit; and
- Drilling expanded the historic Baker Patton deposit with a 3.8m intersection grading 2.4% Cu.

VANCOUVER, Jan. 12, 2018 /CNW/ - Callinex Mines Inc. (the "Company" or "Callinex") (TSX-V: CNX; OTCQX: CLLXF) is pleased to announce results from the 2017 summer drilling campaign (the "Campaign") at the Pine Bay and Big Island Projects within the Flin Flon Mining District of Manitoba (See Figures 1,2 and 3). The Campaign consisted of ten holes totaling 5,350m of drilling to conduct a maiden program at the Company's Big Island Project and follow-up on high-grade volcanogenic massive sulphide ("VMS") mineralization at the Pine Bay Project.

The maiden drilling campaign at the Big Island Project, which hosts the high-grade Tara Lake Deposit, consisted of five holes totaling 1,480m to test the down-plunge potential, confirm the orientation of a fault reported to have displaced part of the deposit and test for lateral extensions of mineralization. This program confirmed that the fault is likely responsible for displacing a portion of the deposit along the projected plunge. Drill hole TZ17-03 tested for a possible fold nose closure and intersected 7.9m of 2.5% Zn and 0.42 g/t Au at a starting depth of 69.5m including 0.2m of 28% Zn, 1.9 g/t Au and 42.7 g/t Ag at a starting depth of 76.9m.

Significantly, multiple borehole surveys identified conductors down-plunge that represent potential for mineralization in a proximal setting. In particular, hole TZ17-02 which was drilled approximately 500m south along the projected plunge line, identified a untested borehole pulse electromagnetic conductor with a strike extent of 450m and a plunge extent of 675m, with a coincident magnetic signature indicative of massive sulphides (See Figure 4). This target will be tested as part of an upcoming 2018 drilling program and the results will assist the Company to determine whether to proceed further with the option agreement.

A follow-up drilling program at the Pine Bay Project was completed to test for continuity between drill holes 284-3-93-DPN that previously intersected 10.3m grading 13.1% Zn Eq. and drill hole PBM-024 located 180m along strike that intersected 2.6m of 3.0% Cu Eq. (See News Release dated May 1, 2017). Drill hole PBM-030 reached its intended target and intersected intense alteration with abundant pyrite mineralization before intersecting a post-mineralized intrusion (See Figure 5). There appears to be a significant dyke or sill that could limit the overall potential size of this zone.

The Company plans to complete a 3-D Induced Polarization survey in the area to model lowly conductive pyrite mineralization that may occur over a series of smaller deposits. Drill hole PBM-026 expanded a mineralized zone associated with the Baker Patton deposit and intersected significant stringer mineralization from 399.2m to 462.1m including 3.8m grading 2.4% Cu at a starting depth of 399.2m along with a separate intersection of 9.6m grading 1.2% Cu at a starting depth of 452.5m including 2.2m of 1.9% Cu at a starting depth of 452.5m (See Figure 6).

The Pine Bay Project is located 16 km east of HudBay's 777 Mine and processing facilities near Flin Flon, MB and covers a significant portion of the Baker Patton Felsic Complex, one of the largest and most highly altered packages of felsic volcanic rocks within the Flin Flon Greenstone Belt.

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

Figure 1: Flin Flon Regional Overview Map

Figure 2: Big Island Project Plan Map

Figure 3: Pine Bay Project Plan Map

Figure 4: Longitudinal Section of the Tara Lake Deposit

Figure 5: Longitudinal Section of the Cabin VMS Horizon

Figure 6: Longitudinal Section of the Baker Patton VMS Horizon

Table 1: NQ Diamond Drill Hole Data

Hole ID	UTM Zone 14T NAD 83 East	UTM Zone 14T NAD 83 North	Elevation (m)	Azimuth (º N UTM)	Dip (º)	Length (m)
TZ17-01	324670	6076703	324	270	-45	144
TZ17-02	324272	6076190	340	100	-67	912
TZ17-03	324586	6076646	324	128	-45	90
TZ17-04	324586	6076646	324	134	-65	124
TZ17-05	324670	6076703	324	203	-45	210
PBM026	332808	6071459	318	315	-65	885
PBM027	332808	6071459	318	315	-74	1320
PBM028	332808	6071459	318	306	-72	177
PBM029	332808	6071459	318	305	-76	264
PBM030	332852	6071479	320	310	-82	1224

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 Q2 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.

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.

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