Vancouver, British Columbia (FSCwire) - <u>Canada Zinc Metals Corp.</u> (TSX Venture Exchange: CZX) is pleased to provide an update on exploration permitting for the Pie, Yuen, Mt. Alcock and Kechika North properties. The Company is now in receipt of approvals extending the expiry date on four separate exploration drill permits to December 31, 2019.

This enables the Company to establish long term exploration goals and carry them out in a time effective manner without having to re-apply or renew existing permits on an annual basis. The amended permits, which were originally issued in 2013, provide multi-year approval for drill programs and logistical support to follow-up geological and geochemical surveys on several properties.

The Company owns 100% of eleven, large, contiguous property blocks that comprise the Akie and Kechika Regional projects. The Company's flagship Akie Project is host to the Cardiac Creek deposit. The Kechika Regional Project includes the Pie, Yuen, Cirque East and Mt. Alcock properties extending northwest from the Akie property for approximately 140 kilometres along the strike of the highly prospective Gunsteel Formation shale; the main host rock for known SEDEX zinc-lead-silver deposits in the Kechika Trough of northeastern British Columbia. These projects are located approximately 260 kilometres north northwest of the town of Mackenzie, British Columbia, Canada.

## Pie and Yuen Properties

The Company is pleased to report it has now received a multi-year extension to drill exploration permits for both the Pie and Yuen properties. These permits will allow the Company to execute its exploration plans on these properties, or allow a third party to operate subject to conformance to the permit conditions.

The Pie, Yuen and Cirque East properties (Pie Option Properties) are the subject of an option agreement concluded on September 9, 2013 with <u>Teck Resources Ltd.</u> (&#8220;Teck&#8221; TSX:TCK.B) and its JV partner, Korea Zinc Co., Ltd. ("Korea Zinc" KRX:KorZinc 010130). The option agreement would see Teck and Korea Zinc spend up to \$8.5 million to acquire up to 70% interest in the Pie, Yuen and Cirque East properties.

Teck and Korea Zinc have spent approximately \$1.3 million in exploration expenditures over the past two field seasons on the Pie Option Properties. An additional \$2.2 million in expenditures by the end of 2017 would conclude the "First Option" and earn Teck/Korea Zinc an undivided 51% interest in the Pie Option Properties. Upon exercising the First Option, Teck/Korea Zinc would have an additional option (the "Second Option") to acquire a further 19% interest in the properties for a total of 70%, by incurring an additional \$5.0 million in exploration expenditures by the end of 2019.

The Pie, Yuen and Cirque East properties surround Teck/Korea Zinc's jointly owned Cirque deposit to the north and east. They provide extensive coverage of the highly prospective Gunsteel Formation shale, which is the known host rock for SEDEX Zn-Pb-Ag deposits at Cirque and at the Company's 100% owned Cardiac Creek deposit, located 22 km south on the Akie property.

The Company is now in receipt of the 2015 annual Technical Summary Report from the Teck/Korea Zinc JV. A detailed review and assessment of this report is currently underway. The Company will be reporting shortly on highlights of active exploration on the Pie Option Properties.

## The Mt. Alcock Property

The Company has received an amended multi-year permit for the Mt. Alcock property that includes approval for the construction of a temporary exploration camp. The camp will increase logistical efficiencies and service local exploration efforts with less reliance on the main Akie exploration camp.

The Mt. Alcock property is located approximately 45 kilometres northwest of the Company's Cardiac Creek deposit (Akie property) and 20 kilometres northwest of Teck/Korea Zinc JV's Cirque deposit. The Mt Alcock property comprises 21 contiguous mineral claims which cover a total of 92 square kilometres (9,172 hectares). The claims are adjacent to the Yuen North property to the south and the Kwad property to the north and are in good standing until 2025.

Historical exploration work completed on the Mt Alcock property includes 2,264 metres of reconnaissance diamond drilling on the "main barite" zone in addition to geological mapping, surface geochemistry and limited ground geophysics.

The main barite zone, located on the western Gunsteel Panel (and along strike of Teck/Korea Zinc JV's Cirque deposit) has a surface extent up to 500 metres long by an average of 90 metres wide. Anomalous zinc values in soils range from 500 to 6,888 ppm and are coincident with anomalous lead values that range from 100 to 16,500 ppm. Grab samples of stratiform barite-hosted zinc-lead sulphides in outcrop returned up to 14.8 % Zn+Pb and 0.6 ounce per ton Ag\*.

A preliminary drilling program in 1989 tested the main barite zone at shallow depths and returned 8.8 metres (core length)

grading 9.3% combined Zn+Pb and 1.2 oz/t Ag in drill hole 89-3\*. Drill hole 89-9\* returned 10.5 metres (core length) grading 6.8 % combined Zn+Pb and 0.7 oz/t Ag. There has been no follow-up drilling since 1990 and attractive drill targets along strike and down-dip of the main zone remain untested. 3D modeling of the Cardiac Creek deposit has demonstrated the significance of down-dip testing for increasing grades in Gunsteel-hosted SEDEX mineralization.

The Company completed airborne VTEM and gravity gradiometry surveys on the property in 2011 and 2015, respectively. A synthesis and detailed review of the multi-parameter geological, geochemical and geophysical data has been completed and several prominent drill targets have been identified.

Numerous coincident silt, soil, and rock anomalies, combined with VTEM conductors, airborne gravity targets and favorable stratigraphy, present attractive new targets on the property that require drill testing. The Mt. Alcock property remains a high priority for the Company and is considered to have significant potential to host high-grade stratiform Zn-Pb mineralisation.

In the 2012, the Company published a NI 43-101 compliant technical report on the Mt. Alcock Property and the reader is encouraged to review the Report and its recommendations, on the Company's website (http://canadazincmetals.com/projects/kechika\_regional/) or on Sedar (www.sedar.com).

## North Kechika Properties

The Company has received an amended multi-year permit for the North Kechika properties. To service exploration in this region an exploration camp has also been approved.

The North Kechika group of properties is situated approximately 37 kilometres northwest of the Mt. Alcock property. The properties, from south to north, include: Bear/Spa, Driftpile South, Saint and Thro. Collectively, they comprise 67 contiguous mineral claims covering a total of 202 square kilometres (20,227 hectares). The claims are in good standing until 2025.

Similar to many of the Company's other properties in the Kechika Regional project; the area is host to two panels of thrust repeated Earn Group stratigraphy which includes the prospective Gunsteel Formation shale.

Limited exploration work took place in the late 1970's and early 1980's with only reconnaissance "scout" drilling on the Bear/Spa and Driftpile South properties which tested defined coincident Zn-Pb-Ag soil anomalies. To date there has been no drilling on either the Saint or Thro properties.

Highlights include historical drilling in 1980 at Bear which encountered Zn-Pb-Ag mineralization of variable width and grade in several holes. Drill hole 80-B-01 intersected a large interval of bedded barite with sphalerite and galena underlain by massive bedded pyrite from a downhole depth of 70 metres and returned 28.7 metres (true width) of 1.9% combined Zn+Pb and 15.1 g/t Ag, including 6.9 metres (true width) of 2.32% combined Zn+Pb and 34.3 g/t Ag. Drill hole 80-B-02 intersected 17.2 metres (true width) of 2.17% combined Zn+Pb and 14.7 g/t Ag from a downhole depth of 105 metres. Other encouraging results include 2.96% combined Zn+Pb and 20.6 g/t Ag over 11 metres (true width) from surface in hole B-80-03, with indications the zone is open to the NW<sup>Æ8#8212</sup>; There has been limited follow-up drilling on the Bear mineralisation and the zone appears to be open at depth and along strike.

The Company completed a large airborne VTEM survey on these properties in 2012, clearly outlining the conductive Earn Group stratigraphy in at least two broad panels, and providing impetus for follow-up exploration work. Follow-up work includes: comprehensive geological mapping, soil geochemistry including extension of open-ended historical soil anomalies, re-sampling of existing surface showings and drilling along-strike and at depth on the Bear prospect. A re-evaluation of several other showings has been completed for the Spa, Driftpile South, Saint and Thro and preliminary drill targets have been identified. Additional detailed information can be found on the Company's website: http://canadazincmetals.com/projects/kechika\_regional/.

## The Akie Zn-Pb-Ag Project

The Akie property is situated within the Kechika Trough, the southernmost area of the regionally extensive Paleozoic Selwyn Basin, one of the most prolific sedimentary basins in the world for the occurrence of SEDEX zinc-lead-silver and stratiform barite deposits.

Drilling on the Akie property by Canada Zinc Metals since 2005 has identified a significant body of baritic-zinc-lead-silver SEDEX mineralisation known as the Cardiac Creek deposit. The deposit is hosted by siliceous, carbonaceous, fine grained clastic rocks of the Middle to Late Devonian Gunsteel Formation.

The Company has outlined a NI 43-101 compliant mineral resource at Cardiac Creek, including an indicated resource of 12.7 million tonnes grading 8.4% zinc, 1.7% lead and 13.7 g/t silver (at a 5% zinc cut-off grade) and an inferred resource of 16.3

million tonnes grading 7.4% zinc, 1.3% lead and 11.6 g/t silver (at a 5% zinc cut-off grade).

Ken MacDonald P.Geo., Vice President of Exploration, is the designated Qualified Person as defined by National Instrument 43-101 and is responsible for the technical information contained in this release.

\*Strate, T (2012): Technical Report on the Pie Property

Æ8#8212; Carne, R. (1980): Report on Diamond Drilling on the Bear and SI Claim Group, BC Ministry of Energy and Mines and Petroleum Resources, Assessment Report #08626, p51.

The TSX Venture Exchange has neither approved nor disapproved the contents of this press release.

ON BEHALF OF THE BOARD OF DIRECTORS

CANADA ZINC METALS CORP.

"PEEYUSH VARSHNEY"

PEEYUSH VARSHNEY, LL.B

**CEO & CHAIRMAN** 

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