

Vancouver, British Columbia (FSCwire) - [Canadian Zeolite Corp.](#) (the "Company") (TSX.V: CNZ) (OTCQB: CNZCF) (FSE: ZEON) is pleased to announce its intention to spin-out its Bullard Pass Property (the "Bullard Project") through a Plan of Arrangement under the *British Columbia Business Corporations Act* (the "Arrangement"). The Arrangement is designed to deliver greater value to its shareholders by unlocking the value of the Bullard Project. In addition, this will allow the Company to focus on the production and distribution of its line of natural zeolite products. An information circular is anticipated to be mailed out to security holders in mid-March, 2017 to approve the terms of the Arrangement and other matters at the Company's Annual and General Meeting scheduled for April 28, 2017.

Ray Paquette, the Company's President and CEO said, "During the period of 2007 through 2010 the Company's major project was the Bullard Pass Property. We conducted geological work including staking, drilling and assays incurring expenditures of USD\$688,000. We consider the Bullard Project to be a property of merit and further exploration is warranted. The current recommendation for the Bullard Project is a three pronged one phase exploration program. This program includes data compilation, increasing the property size through staking and a 3500' drilling program. The proposed spin-out allows the Company to focus on further advancement and sale of its natural zeolite products for distribution to the agricultural and animal feed industries, for water treatment and aquaculture as well as numerous industrial applications, such as road salt replacement, radioactive waste containment and artificial turf."

Canadian Mining Company Inc. - The Bullard Pass Property

The Bullard Pass Property is located within the Pierce Mining District in southern Yavapai County, Arizona and lies along the Bullard detachment fault in the Bullard Mining District at the southern end of Harcuvar metamorphic core complex. The Bullard detachment fault is a portion of the regional Buckskin-Rawhide-Bullard detachment fault in west central Arizona, striking approximately N55-60E and with a moderate dip to the south. While most of the property is covered by Quaternary alluvium, the limited exposures in the low hills indicate the hanging wall of the fault is comprised largely of Tertiary volcanic and sedimentary rocks, while the footwall is comprised largely of mylonitized granitoids or granitic gneisses of early Proterozoic and Cretaceous age.

Mineralization is theorized to consist of detachment fault related gold. Small showings of quartz veins and breccias have been mapped locally on surface and have returned grades ranging from background to 2965 ppb Au. Mapping and property wide enzyme leach soil sampling highlighted three areas on the property: Unity grid, Southwest Corner Grid and Access Road grid. These areas were followed up with closer spaced enzyme leach soil sampling and preliminary drill targets were identified. A diamond drill program consisting of 8 vertical holes ranging from 400 to 500 feet was completed over the three grids area by Canadian Mining in 2010.

Board and Management

It is anticipated that Ray Paquette will become chairman of Canadian Mining and that the management team will consist of Brian Thurston as Chief Executive Officer, Mark Groenewald as Chief Financial Officer, and Dianne Szigety as Corporate Secretary. Changes and additions to the management team will be made as needed and as the Bullard Project progresses. The names of additional directors are expected to be announced in the near future and will be outlined in the information circular to be mailed to the Company's security holders for the Company's Annual General and Special Meeting.

The Transaction - Summary of the Arrangement

The Company has entered into a Vend-In Agreement with Canadian Mining Company Inc., a wholly owned subsidiary, ("Canadian Mining") whereby it has agreed to transfer its interest in the Bullard Project to Canadian Mining. Concurrently with entering into the Vend-In Agreement, Canadian Mining and Canadian Zeolite entered into an Arrangement Agreement which governs the terms of the Arrangement.

Pursuant to the Arrangement, [Canadian Zeolite Corp.](#) will be distributing the common shares it holds in Canadian Mining (collectively the "Canadian Mining Shares") to its shareholders on a one (1) Canadian Mining Share for every five common shares held in the Company. All warrants held in the Company will be cancelled and holders of such warrants will be issued one (1) new Company warrant for each Company warrant held with an exercise price adjusted to reflect the spin-out of the Bullard Project from the Company and one (1) warrant in Canadian Mining for every five (5) common shares held. The exercise price for the Spinco Warrants issued to the Canadian Zeolite Warrant holders will be the lesser of the Canadian Zeolite Warrant Exercise Price, and the issue price per Spinco security issued in connection with the Concurrent Financing. The share and warrant exchanges set out above will be based on security holdings as of a date following the Annual General and Special Meeting established by the Company.

Closing of the Arrangement is subject to a number of customary conditions precedent, including, but not limited to:

1. Canadian Mining closing an offering raising at least \$650,000.00

2. The Arrangement being approved by two-thirds of the Company's shareholders, warrant holders and option holders at the upcoming Annual General and Special Meeting;
3. The granting from the Supreme Court of British Columbia of an interim order authorizing the security holders to approve the Arrangement and a final order approving the Plan of Arrangement and the fairness of its terms; and
4. The Common Shares of Canadian Mining being listed on the TSX Venture Exchange.

The above description summarizes the terms of the Arrangement. A copy of the Arrangement Agreement entered into between the Company and Canadian Mining has been filed on SEDAR as a material document and is available for review at the Company's head office. Investors are urged to read the Arrangement Agreement in its entirety for a more complete description of the Arrangement as well as the information circular to be provided to security holders in connection with the Annual General and Special Meeting of the Company's security holders.

Concurrent Financing

As a condition to the completion of the Arrangement, Canadian Mining is undertaking a financing to raise net proceeds of at least \$650,000. It anticipates this raise to be executed through the issuance of units for \$0.09 per unit. Each unit will be comprised of one common share in Canadian Mining and one share purchase warrant. Each warrant entitles the holder to acquire, at any time up to the first anniversary of the issuance of such warrants, one common share at a price of \$0.25.

Listing of the Canadian Mining Common Shares issuable pursuant to the Concurrent Financing is subject to approval from the TSX Venture Exchange.

Qualified Person

Technical disclosure for the Bullard Project included in this press release, has been reviewed and approved by Dr. Pat O'Hara. Dr. O'Hara is a Qualified Person (QP) under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

About Canadian Zeolite

[Canadian Zeolite Corp.](#) is an environmentally friendly Green Tech company involved in the exploration, development and production of the industrial mineral zeolite. It is a producer of natural zeolite from its zeolite deposits in British Columbia, Canada. The Company's shares are listed on the TSX Venture Exchange under the symbol CNZ, on the OTCQB under the symbol CNZCF; and on the Frankfurt Exchange under the symbol ZEON.

On behalf of the Board of Directors

Ray Paquette

President & CEO

604.684.3301

www.canadianzeolite.com

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 news release.

Cautionary Note Regarding Forward-Looking Statements

Certain statements made and information contained herein in the press release constitutes forward-looking information; and forward-looking statements; within the meaning of applicable securities legislation (collectively, forward-looking information). The forward-looking information contained in this press release is based on information available to the Company as of the date of this press release. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation, to update this forward looking information. Generally, this forward-looking information can frequently, but not always, be identified by use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts",

"intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events, conditions or results will; "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotations thereof. Forward looking statements include, the anticipated timing of mailing the information circular to security holders, the listing of Canadian Mining's common shares on the TSX Venture Exchange, the approval of the Arrangement by the Company's security holders, the ability of Canadian Mining to execute on the initial exploration program at Bullard Pass, the ability of the parties to meet all the conditions precedent to the Arrangement and the anticipated size and terms of Canadian Mining's concurrent financing.

All statements other than statements of historical fact may be forward-looking statements. Forward-looking information is necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: risks and uncertainties relating to, among other things, the risk of the Company not obtaining: a) an interim order; b) a final court order, c) Canadian Zeolite security holder or stock exchange approvals to proceed with the Arrangement or the listing of Canadian Mining Common Shares; the risk of unexpected tax consequences to the Arrangement, the risk of unanticipated material expenditures required by the Company prior to completion of the Arrangement; risks of the market valuing Canadian Zeolite and Canadian Mining in a manner not anticipated by the Company; risks relating to the benefits of the Arrangement not being realized or as anticipated, Canadian Mining being unable to add additional properties to its portfolio, the potential dilution at the Bullard Project, the inherent uncertainties regarding cost estimates, changes in commodity prices, currency fluctuation, financing, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations, as well as other risks uncertainties and other factors, including, without limitation, those referred to in the "Risks and Uncertainties" section of the Company's annual management discussion and analysis, a copy of which is filed on SEDAR, and elsewhere, which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.

The Company believes that the expectations reflected in the forward-looking statements and information included in this press release are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements and information should not be unduly relied upon. This statement and information speaks as of the date of the press release.

To view this press release as a PDF file, click onto the following link:
public://news_release_pdf/CanadianZeo02172017_0.pdf

Source: [Canadian Zeolite Corp.](#) (TSX Venture:CNZ, OTCQB:CNZCF, FWB:ZEON)

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