Nevada Zinc Announces Positive Preliminary Economic Assessment Results for the Lone Mountain Zinc Project Including 40% Pre-Tax IRR - 35% After Tax IRR

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Toronto, June 27, 2019 - Nevada Zinc Corp. (TSXV: NZN) ("Nevada Zinc Corp." or the "Company") is pleased to announce the favourable results of an independent Preliminary Economic Assessment ("PEA") of the viability of potentially mining the zinc mineralization at the Company's 100% owned Lone Mountain Project ("Project") in central Nevada. The PEA highlights strong potential economics for a low cost, relatively simple, open pit zinc mine and floatation plant operating, producing, and selling zinc concentrate for 12 years based on the current Mineral Resources Ltd.. The operating rate of the mine is planned to be a nominal 800 tonnes per day ("tpd"). Using a long term average zinc price of US $1.13 per pound and an 8% discount rate the Project generates a pre-tax Net Present Value ("NPV") of US $56.4 M ($75.2 M CDN) and a pre-tax 40% Internal Rate of Return ("IRR"). The after tax NPV (8%) is $43.2 M ($57.6 M CDN) and the after tax IRR is 35%. All currency is stated in USD unless indicated otherwise.

Table 1 - PEA Summary

Parameters	USD	CAD
Pre-Tax IRR	40%	
Pre-Tax NPV 8%	$56.4 M	$75.2
After Tax IRR	35%	
After Tax NPV 8%	$43.2 M	$57.6 M
Payback Period (After Tax), (years)	2.7	
Average Annual Zinc Production (lbs. contained)	35.2 M	
Average Annual Zinc Payable (85%) (lbs. payable)	30.0 M	
Pre-production Capex	$25.7 M	$34.3 M
Mine Life (years)	12	
Anticipated Mill Throughput (Average tpd)	800	
Operating Days per Year	347	
Mineral Resource Tonnage (tonnes)	3,257,000	
Mineral Resource Grade	7.57%	
Anticipated Process plant Recovery	80%	
Anticipated Grade of Concentrate Produced	45%	
Zinc Price for PEA Study (per pound)	$1.13	
Foreign Exchange Rate (CAD/USD)	0.75	

PEA Cautionary Note

Readers are cautioned that the PEA is preliminary in nature and there is no certainty the results of the PEA as presented will ever be realized. Mineral Resources Ltd. are not mineral reserves and do not have demonstrated economic viability. Additional work is required to upgrade the inferred Mineral Resources Ltd. to mineral reserves.

Bruce Durham, President and CEO of Nevada Zinc commented on the announcement today: "The results in today's PEA confirm the Company is making good progress toward eventually turning this "grass roots discovery prospect", into a viable zinc producer. The PEA was envisioned as a low CAPEX project that could withstand cyclical commodity prices and that could be completed in the context of the current capital markets where access to large amounts of capital is simply not available to small companies. The scope of the PEA included new equipment and contract mining. While we know there is potential for the Lone Mountain zinc mineralization to be a quality feedstock for making value added zinc sulphate for the US fertilizer industry

and we know our mineralization could potentially be leached using the Metsol non-acid leach technique to produce a value added zinc oxide product, we stopped short of inputting either of these value added scenarios into the PEA. We kept it simple. The assumptions in the PEA are that the mineralization would be mined in a single pit using a contract miner and that the mineralization would be concentrated using standard floatation techniques to make zinc concentrate that would be transported to a smelter for payment. As we progress beyond today's PEA we will be looking to better quantify the potential to garner more value from the rather unique zinc mineralization at Lone Mountain. The Project is located in a great jurisdiction close to a very supportive mining based community and based on the results to-date, Lone Mountain has the potential to create significant value for our shareholders." Mr. Durham further added: "There is also a lot of prospectivty at the Project. We have only drill tested a short portion of the 4 kilometre long structure and we have still not drilled deep enough to evaluate the potential for the Project to host significant zinc sulphide mineralization at depth."

Table 2 - Overview of the PEA Results

		Base Case (USD)	Base Case (CAD)
Commodity Assumption	Zinc Price $/lb	$ 1.13	
	$/tonne	$2,500	
Economics Pre-Tax	Net Cash Flow	$106.7 M	$142.2 M
	NPV @ 8%	$ 56.4 M	$ 75.2 M
	IRR	40%	
Economics After Tax	Net Cash Flow	$ 83.8 M	$111.7 M
	NPV @ 8%	$ 43.2 M	$ 57.6 M
	IRR	35%	
	Payback Period	2.7 years	

Capital and Operating Cost Estimates

Table 3 - Initial and Sustaining Capital Costs (CAPEX)

Area	Start-up Capital ($ M)	Sustaining Capital ($ M)	Total ($ M)
Mining (Contractor - mobilization)	2.0		2.0
Site Development/Infrastructure	2.0		2.0
Mineral Processing	14.0		14.0
Tailings Management Facility	1.0		1.0
Closure	0.5		0.5
Salvage Value	(0.5)		(0.5)
Contingencies (30%)	5.7		5.7
Owners' Costs	1.0		1.0
Sustaining Capital		2.2	2.2
Total	25.7	2.2	27.9

Table 4 - Operating Costs (OPEX)

Area	Cost per tonne of Mineralized Material ($)	Cost per unit	Unit
Open Pit Mining	19.50	$3.50/t Ore - $2.00/t Waste	per tonne mined
Crushing	3.00		per tonne processed
Processing	22.20		per tonne processed
G&A	2.00		per tonne processed
All Included OPEX	47.70		per tonne processed

Note: PEA assumed that start-up working capital would be provided by concentrate purchaser on credit revolver basis.

The PEA was undertaken at the request of Bruce Durham, P.Geo., President and CEO of the Company and was prepared by Peimeng Ling and Associates Limited ("PL&A") in accordance with the requirements of NI-43-101 Standards of Disclosure for Mineral Projects ("NI-43-101"). Peimeng Ling, P.Eng. (MSc. Chemical

Engineering), the principal author of the Technical Report, is an independant Qualified Person (as that term is defined by Canadian regulatory guidelines) in respect of the preparation of the PEA Technical Report discussed in this press release. Her experience includes over 35 years experience in the chemical and metallurgical processing field including project evaluation and project management.

Table 5 - Mineral Resource Estimate

Cut-Off Zn %	Tonnage (000's)	Pb%	Zn%	Zn M lb
5%	1,989	0.8	10.05	440
4%	2,473	0.7	8.97	489
3%	2,931	0.7	8.12	525
2%	3,257	0.7	7.57	543
1%	3,534	0.7	7.09	552

Notes: Numbers in Table 5 are from P&E Mining Consultants Inc. report dated July 22, 2018 "Initial Mineral Resource Estimate and Technical Report on the Lone Mountain Property Eureka Nevada USA". A 2% NSR royalty is payable to the original property vendor on the majority of the Property. All material tonnes and metal values are undiluted. Mineral Resources Ltd. are calculated assuming a 2% zinc cut-off. Mineral Resources Ltd. which are not mineral reserves do not have demonstrated economic viability. The estimate of Mineral Resources Ltd. may be materially affected by environmental, permitting, legal, title, socio-political, marketing or other relevant issues. Details of the Mineral Resource Estimate can be found in the technical report filed on SEDAR under the Companys' profile and dated September 7, 2018.

Mining

The mineralization on the Project extends to surface and is amenable to conventional open pit mining methods utilizing front end loaders and trucks. An optimized pit shell was constructed using indicative costs for the area, including $2.50/t mining costs for waste, $3.50/t mining costs for mineralized material, a zinc price of $1.25 per pound, process recovery of 85%, smelter payout of 85%, and smelter charges and freight of $200/t, in addition to processing costs of $20/t and G&A of $3.00/t. (P&E Mining Consultants Inc. 2018 see note above). Slight modifications were made to some of the parameters in light of additional investigations and results from additional metallurgical test work. The PEA established mining costs to be $2.00/t for waste and $3.50/t for mineralization. Process recovery was set at 80%, smelter payout was set as 85% and the achievable concentrate grade was determined to be 45% for the study while G&A was set at $2.00/t. No optimization of the planned mining of the deposit was carried out in the preparation of the PEA.

Table 6 - Processing Plant Feed Schedule

Year	Total Process Plant Feed (tonnes 000's)	Undiluted Zinc Grade(Mineral Resource Grade)	Pounds of Zn Contained
1	264	7.57%	35.2
2	264	7.57%	35.2
3	264	7.57%	35.2
4	264	7.57%	35.2
5	264	7.57%	35.2
6	264	7.57%	35.2
7	264	7.57%	35.2
8	264	7.57%	35.2
9	264	7.57%	35.2
10	264	7.57%	35.2
11	264	7.57%	35.2
12	264	7.57%	35.2
13	89	7.57%	11.9
Total	3,257	7.57%	434.3

Note: Total material mined values include all production from open pit mining (mineralization plus waste).

Processing

The Company and its consultants have been carrying out mineralogical and metallurgical investigations on the Project's non-sulphide mineralization since October 2015. Since that time the Company has completed thin section investigations, polished thin section work, Heavy Liquid Separation studies, whole rock dissolution using sulphuric acid, Tescan Integrated Mineral analyser tests, concentrate production tests using floatation techniques to concentrate the mineralization, as well as acid dissolution teswork on floatation concentrate and have also completed initial dissolution test work using the METSOL proprietary process on mineralized rock samples. The dissolution testwork on floatation concentrate material using sulphuric acid was designed to target the dissolution of the zinc minerals to produce a liquid comprised primarily of zinc sulphate. Zinc sulphate product was targeted as an end product that would ideally be an end product for use in the fertilizer or animal food businesses. The dissolution test work completed using the METSOL process was aimed at determining the viability of leaching zinc bearing rock without dissolving the associated calcite and dolomite to produce chemical grade zinc oxide.

The recoverable, and potentially payable mineralization on the Project is comprised of zinc oxide and carbonate and minerals, specifically smithsonite, hemimorphite and willemite with some overlap in the identification of the willemite and hemimorphite minerals. The main gangue minerals associated with the zinc mineralization have been identified as calcite, dolomite and minor quartz. Through the various investigations the smithsonite and hemimorphite/willemite were found to be moderately liberated at a grind size P80 of 600 microns, 57% and 72% respectively. Additional grinding was found to liberate more of the zinc mineralization.

Heavy Liquid Separation tests were completed by Met-Solve Laboratories of Vancouver and also more recently by SGS, Lakefield Ontario. Testing was completed on a variety of fraction sizes and at variable specific gravities (SG). The tests generated grade recovery curves showing good separation of the heavier zinc bearing mineralization.

Floatation test work was carried out at SGS, Lakefield Ontario. Initial test work showed 96% recoveries and produced concentrate with approximately 30% zinc content. Other tests that were completed as follow-up which produced zinc recoveries over 80% recovery and grading more than 40% zinc. Because the tests were preliminary and single batch tests only, it is reasonable to assume that a higher grade of concentrate, up to 45% could be produced with recovery of approximately 80% in more advanced testwork. Another bulk floatation test produced a 46% zinc concentrate with a 67.4% recovery. Again, the sample was a batch test only, so in a locked cycle environment it is considered reasonable that a 45% zinc concentrate could be produced at an 80% recovery rate.

As part of the plan by the Company to determine the best approach to maximize the value of the mineralization, the Company had SGS undertake leach test work using sulphuric acid to attempt leaching of the floatation concentrate. Test work by Outotec in 2016 showed the unconcentrated mineralization was readily leached however the high acid consumption rates would not allow the dissolution of raw mineralization to be a viable processing route. SGS completed 9 leach tests on various floatation concentrates. On the basis of the 9 tests, the conclusions were that in most of the tests, high zinc extraction was achieved. The method of acid addition seemed to have an effect on extraction of silicon. When acid was added slowly only limited silicon was dissolved (~5%).

A report by Metsol in March 2017 describing work completed by them reported the results of leaching of mineralized samples from the Project using the Metsol process, a non-acid leach technique. That work showed the mineralization had characteristics well suited for the leaching of mineralization to produce a zinc oxide product. Leach extraction was shown to be in the range of 80% to over 90% in the 6 samples processed. Post leaching roasting of the material produced a purity of 99.3%.

Table 7 - Sensitivity analysis NPV 8% Pre-Tax Base Case

Item	Variances	Value	NPV 0%	NPV 5%	NPV 10%	IRR %
Initial Capital Cost ($M)	+15%	22	104	68	45	35
	Base Case	19	107	71	48	40
	-15%	16	110	75	52	47

Total OPEX ($M)	+15%	15	83	53	35	32
	Base Case	13	107	7	48	40
	-15%	11	131	189	62	48
Zinc metal price $/t Zn Metal	+15%	2,875	168	116	83	60
	Base Case	2,500	107	71	48	40
	-15%	2,125	45	26	14	19
Zinc Grade	+15%	8.7%	151	104	73	54
	Base Case	7.57%	107	71	48	40
	-15%	6.4%	62	39	24	26

Infrastructure

The Project is ideally located in east central Nevada, approximately 28 kilometres to the northwest of Eureka Nevada, a mining focused area that continues to be supportive of mining development. Highway 50 which provides the main access between Reno Nevada and Eureka passes along the southern boundary of the Project and a year round county maintained road provides access to the eastern part of the Project. Existing unmaintained roads provide access to the planned area of operations.

Two mining operations have recently been permitted in the area. Since being permitted in 2018, McEwen Mining Inc. has constructed and recently declared commercial production at its' Gold Bar Project approximately 25 km to the northwest of the Project and General Moly, Inc. has completed permitting of its Mount Hope Molybdenum Project located 25 kilometre to the north of the Project.

High voltage power transmission lines are located just to the south of the Project near Highway 50. The PEA contemplates generating power using diesel power. The determination was made that a single 1.5 MW diesel generator is sufficient to provide the power needed for the operation as planned in the PEA. A back-up generator is also included in the plan. Further planned power supply studies include the possibility of using LNG as a fuel for generated power. Primary power generation will be located in proximity to the grinding facilty in order to minimize power line requirements.

Water required for operations and general site purposes would be be supplied by local well sites located as close as possible to the plant location. No plan has been developed on the location of available wells or water rights. The Company has engaged in initial reviews of the possibilities for water rights and will continue the investigation of available water near the project site.

Permits

The Project is located on public BLM lands and patent land. To-date the Company has disturbed less than 5 acres and in order to increase the footprint of disturbance the Company will require a Exploration Plan of Operations (PoO). Mining and exploration activities included in the PoO will require items such as a description of surface disturbance activities, preliminary design reports and a description of waste rock, ore, spent heap and ground water characterization. A Reclamation Plan describing the construction and closure of each facility with the associated bond cost estimate as applicable is also required. Future activities creating more than five acres of disturbance will also require that the BLM perform an appropriate National Environmental Policy Act analysis (NEPA), likely an Environmental Assessment. The NEPA analysis assesses the potential for impacts to all resources from the proposed project. No survey work has been initiated at this time although plans are being made to undertake the work.

Additional information about the Company is available on the Company's website: www.nevadazinc.com

Bruce Durham P.Geo, President and CEO of Nevada Zinc Corp., is a Qualified Person, as that term is defined by Canadian regulatory guidelines under National Instrument 43-101, and has read and approved the technical information contained in this press release.

The PEA Technical Report on which this press release is based will be posted on the Companys' website and on SEDAR within 45 days of this release. Some numbers in this release are rounded and therefore some discrepancies may be present in the totals shown.

The Company announces that Allen Ezer has resigned as a director of the Company to pursue other opportunities. The Company thanks Allen for his years of service and wishes him the best in his new ventures.

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