

December 22, 2020

News Release 2020-03

InZinc Signs Letter of Intent to Option West Desert Project

Vancouver, BC – InZinc Mining Ltd. (TSX-V: IZN) (“InZinc” or the “Company”) is pleased to announce that it has signed a non-binding Letter of Intent (“LOI”) with American West Metals Limited (“American West”), a private Australian company, outlining the principal terms and conditions of an Option Agreement that American West and InZinc intend to enter into and under which American West may acquire InZinc’s West Desert Project (“Project”) in Utah (the “Option Agreement”). The Option Agreement will be subject to, amongst other matters, TSX Venture Exchange approval.

“The Company anticipates that the proposed transaction will benefit InZinc by providing ongoing leverage to advancements at West Desert as well as the financial means to consider next steps at its prospective Indy Sedex project and other opportunities,” said Wayne Hubert, CEO of InZinc Mining.

The principal terms of the LOI include:

- 1) An initial cash payment of **US\$500,000** to InZinc upon signing of the Option Agreement.
- 2) Required payments to InZinc during the 24 months following the signing of the Option Agreement to comprise:
 - i. **CDN\$1,000,000** within 30 days of American West listing its shares on the Australian Securities Exchange (“ASX”) through an initial public offering or other process or 12 months after signing of the Option Agreement, whichever is earlier;
 - ii. **US\$1,500,000** upon the announcement by American West to the ASX of a completed Prefeasibility Study for the West Desert Project or 24 months after signing of the Option Agreement, whichever is earlier; and
 - iii. **CDN\$2,500,000** by way of free trading shares of American West. If American West has not been admitted to the Official List of the ASX within 12 months of signing of the Option Agreement, InZinc may elect to receive **CDN\$1,250,000** in cash from American West in lieu of shares.

3) Indium Profit Share

If American West exercises the Option Agreement and acquires the West Desert Project, InZinc will receive 50% of the revenue from the sale of indium mined from the West Desert Project determined on a Net Smelter Return basis in accordance with generally accepted industry practice (“NSR”). American West will have the right to reduce the NSR to 25% by paying InZinc US\$5,000,000 in cash at any time prior to the first sale of indium from the Project.

4) Reversion of Project

If payments referred to above are not paid when due and American West does not rectify the failure within 45 days, InZinc would have the right to terminate the Option Agreement and the West Desert Project will revert to InZinc.

5) Exclusivity Period

From the date of the LOI until March 31, 2021, InZinc agrees to negotiate exclusively with American West with the intention to finalize the terms and execute the Option Agreement as soon as possible.

Cautionary Note:

There is no certainty that the parties will be able to conclude the Option Agreement. The LOI is non-binding and neither InZinc nor American West is under any obligation to enter into, or continue negotiations regarding, the Option Agreement or to proceed with the transactions outlined in this news release. Other than as specifically set out in the LOI, no binding agreement will exist between InZinc and American West relating to the Option unless and until the Option Agreement has been finalized and executed.

American West Metals Ltd.

American West is targeting to be listed on the ASX by April 30, 2021.

About InZinc

InZinc is focused on growth in zinc through exploration and expansion of the advanced stage West Desert project (100%) in Utah and exploration of the early-stage Indy project (100% option) in British Columbia. West Desert has a large underground resource open for expansion and has district scale exploration potential. A West Desert preliminary economic assessment completed in 2014 forecasted 1.6 billion pounds of zinc production over 15 years. Byproducts would include copper, magnetite and indium, the latter being identified by the United States in 2017 as a critical mineral. West Desert is well located with easy access and existing infrastructure. The Indy Sedex project comprises near surface discoveries, large untested exploration targets and regional discovery potential. Indy is readily accessible by road from Prince George, the major hub for transportation and heavy industry in central British Columbia and is located 85km south of the Canadian National Railway.

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Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and US securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the Company's next shareholder meeting. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, plan, design, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results, performance, or actions and that actual results and actions may differ materially from those in forward-looking statements as a result of various factors, including, but not limited to, those risks and uncertainties disclosed in the Company's Management Discussion and Analysis for the year ended December 31, 2018 filed with certain securities commissions in Canada and other information released by the Company and filed with the appropriate regulatory agencies. All of the Company's Canadian public disclosure filings may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties. The 2014 Preliminary Economic Assessment (PEA) was prepared by Mine Development Associates with contributions from International Metallurgical and Environmental Inc. in accordance with the definitions in Canadian National Instrument 43-101. All dollar amounts are US currency. The PEA is considered preliminary in nature. It includes Inferred mineral resources that are considered too speculative to have the economic considerations applied that would enable classification as mineral reserves. There is no certainty that the conclusions within the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Long-term metal prices used in the study included zinc at \$1/lb, copper at \$3/lb, iron ore at \$105/t (62% Fe, CFR-Tianjin), gold at \$1,300/oz and silver at \$21/oz. The technical report is entitled "Technical Report on the West Desert Zinc-Copper-Indium-Magnetite Project - Preliminary Economic Assessment - Juab County, Utah" and is available both at www.sedar.com and the Company's website at www.inzincmining.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 release.