



NEWS RELEASE

**NZC-TSX
NORZF-OTCQB**

FOR IMMEDIATE RELEASE

**NORZINC PROVIDES RESULTS FOR SECOND QUARTER 2021 AND
ANNOUNCES SIGNING OF IMPACT BENEFIT AGREEMENT WITH ŁÍIDLÍJÍ KÚÉ
FIRST NATION**

August 11, 2021 – Vancouver, British Columbia – NorZinc Ltd. (TSX: NZC; OTCQB: NORZF) (the “Company” or “NorZinc”) reports its interim financial results and development activities for the second quarter ended June 30, 2021 (“Q2 2021”) and announces signing of Impact Benefit Agreement with Łíídlíjį Kúé First Nation (“LKFN”). **(All amounts are in Canadian dollars unless otherwise stated. M = million).**

Q2 2021 Results & Recent Highlights

Financial and Corporate

- Cash and short-term investments at June 30, 2021 - \$1.3M (December 31, 2020 - \$5.3M).
- Loss for six months ended June 30, 2021 - \$5.2M (June 30, 2020 - \$4.3M).
- Hired experienced mining executive Rohan Hazelton as the Company’s President, CEO and Director.
- Completed \$1.0M non-brokered private placement of shares to RCF VI CAD LLC (“RCF”).
- Advanced discussions on the next stage of financing for the development of the Prairie Creek Mine, including a potential silver stream.

Prairie Creek

- The Company commenced the surface drill program for the 2021 season and began extensive planning on a comprehensive metallurgical drill program.
- Reviewed and updated the NorZinc Covid-19 Exposure Control Plan and Vaccination Policy in line with GNWT public health.
- Progressed the process to obtain amended operating permits for increased design throughput based on expected reserve additions assumed at the end of the underground drill program.

• Subsequent Events

- On August 6, 2021 the Company closed its previously announced short form prospectus offering (the “Offering”) and concurrent private placement (the “Concurrent Private Placement”), raising gross proceeds of \$7.2M through the issuance of 110,399,823 units of the Company (“Units”) at a price of \$0.065 per Unit. 95,015,208 Units were issued pursuant to the Offering and 15,384,615 Units were issued pursuant to the Concurrent Private Placement.

- On August 11, 2021 the Company signed an Impact Benefit Agreement with Łíídlíí Kúé First Nation

CORPORATE OVERVIEW

The Company's activities are primarily focused on the completion of permitting for an expanded project design and ultimate development of the Prairie Creek silver-zinc-lead mine in Canada's Northwest Territories (the "**Prairie Creek Project**", the "**Prairie Creek Mine**" or the "**Mine**"). In Q4 2019, the Company received the final Water License ("**WL**") and Land Use Permit ("**LUP**") from the Mackenzie Valley Land & Water Board ("**MVLB**") and Parks Canada ("**Parks**") for construction of All Season Road ("**ASR**") access to the Prairie Creek Project. In Q4 2020 the Company received renewed operating WL and LUP permits for the Mine from the MVLB and NWT.

Review of Financial Results

For the three and six months ended June 30, 2021, the Company incurred a net loss of \$3.5M and \$5.2M respectively, compared to a net loss of \$1.3M and \$4.3M for the respective comparative periods. The increase was driven by increased exploration and evaluation expense and increased general and administrative expense related to the termination and severance payable to a former senior executive of the Company.

As at June 30, 2021, the Company had a negative working capital balance of \$0.2M (December 31, 2020 – positive \$3.2M) which included cash and cash equivalents of \$1.2M (December 31, 2020 - \$5.3M). The working capital balance has decreased from 2020 to 2021 due to exploration and corporate expenditures in the period.

Timing of Development

In accordance with the previously announced mine enhancement program ("**MEP**"), NorZinc continues to plan, subject to Covid-19 restrictions and financing, to construct the ASR over parts of three calendar years, initially in Phase 1 (2022) as a winter road and in Phase 2 (2023-2024) installing bridges, culverts and final grading of the road. Prior to each phase of the construction activity, the Company plans to complete further field investigations and site plans and award construction contracts. During Phase 1 the Company plans to undertake geotechnical work on the ASR route to determine final ASR design and Phase 2 bidding parameters. Dependent on Covid-19 and the permitting and financing timelines, construction of the ASR is planned to commence in late 2022 and continue into 2024, in parallel with continuous and ongoing site construction and project development.

In preparation for the scenario that NorZinc increases mill throughput from 1,600 tonnes per day to 2,400 tonnes per day, the Company has applied for amendments to the current Water Licence and Land Use Permit to reflect an increased processing. Due to the requirements of the regulatory timeline, the application was filed in May 2021 and is currently in process to ensure that all permits and licences are in place in the case of an increased processing scenario.

Financing Initiatives

The Company has engaged Auramet International, LLC ("**Auramet**") as Financial Advisor in conjunction with project financing for the Prairie Creek Mine. Auramet's role will be to work with the Company to provide advice and assistance regarding the solicitation, structuring, negotiating, and closing of a comprehensive financing package.

The Company continues to target the main development project financing for mid-2022 with funding of the construction of the initial Phase 1 ASR (an early winter road) prior to the overall project financing, planned to be from non-bank sources as discussed below. As previously announced, the main development project funding is expected to be sourced largely from the debt and silver streaming markets.

Management continues to explore additional financing alternatives including flow-through financing, convertible notes, bridge loans and private placements as alternatives to a potential silver stream financing.

NorZinc Ltd signs Road Benefit Agreement with Łídlı́ı́ Kúęę First Nation

The Company is pleased to announce the signing of a Road Benefit Agreement and a Letter of Agreement linking the RBA with the Impact Benefit Agreement signed in 2011 with the LKFN of Fort Simpson, NWT. These two agreements are related to the construction and operation of the road to connect the Company's high grade zinc-lead-silver Prairie Creek Mine to the Liard Highway in the Northwest Territories of Canada.

"I am pleased to be signing these important benefit agreements with the LKFN ensuring economic and social benefits from the construction and use of an All-Season Road that will support the Prairie Creek Mine. I thank the Chief and leadership of LKFN in supporting the Prairie Creek project and look forward to our continued partnership in realizing the benefits to all LKFN members." said NorZinc President and CEO Rohan Hazelton on the completion of these agreements.

Qualified Person

Unless otherwise indicated, all scientific and technical information relating to the Company's mineral projects contained in this news release has been reviewed and approved by Kerry Cupit, P. Geo., who by reason of education, membership in professional associations (as defined in NI 43-101) and past relevant work experience, fulfills the requirements of a Qualified Person as defined in NI 43-101. Mr. Cupit is a Project Geologist employed by the Company, with a B.Sc. in Earth Sciences (Geology).

About NorZinc

NorZinc is a TSX-listed mine development Company trading under the symbol "NZC". NorZinc is developing its key project, the 100%-owned high-grade zinc-lead-silver Prairie Creek Mine, located in the Northwest Territories. NorZinc also owns projects in Newfoundland that host several zinc-lead-copper-gold-silver deposits.

For further information: Rohan Hazelton, President & CEO or Peter Portka, CFO both on (604) 688-2001 or Toll free:1-866-688-2001; E-mail: IR@norzinc.com; Website: www.norzinc.com

Cautionary Statement – Forward-Looking Information

This press release contains forward-looking information, including, among other things, statements regarding the long-term development and financings goals, the Company's objectives for increases in mine throughput and reserves, the economic and environmental effects of achieving such increases, and the timing for completing an updated feasibility study and the pioneer winter road. These statements reflect the Company's objectives generated for planning purposes only and are disclosed in order to explain the direction the Company intends to take in 2021. The analyses that lead to the objectives for increased mine throughput and reserves are internal studies only and the conclusions and recommendations of such studies have not and will not be publicly disseminated. There is no assurance that production rates will ultimately increase from the rates contemplated in the Company's current feasibility study or that the production on the property will be achieved at all. There is also no assurance that further exploration on the property will result in increased reserves and the reader should not read these objectives as reflecting an economic analysis of the project based on inferred resources. Resources that are not reserves do not have demonstrated economic viability. Inferred resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as reserves. There is no certainty that resources will ever be converted into reserves.

In making the forward-looking statements in this release, the Company has applied certain factors and assumptions that the Company believes are reasonable, including that the mine enhancement objectives will achieve the expected results, that additional exploration on the property will result in increases in reserves, that financing will be available to achieve these goals on acceptable terms, that regulatory approvals for the plan will be received. These statements also based on management's expectations regarding the size and quality of resources, future trends for the Company, progress in development of properties, future production and sales volumes, capital costs, mine production costs, demand and market outlook for metals, future metal prices and treatment and refining charges, the outcome of legal proceedings, the timing of exploration, development and mining activities, capital market conditions, and the financial results of the Company. However, the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Material risk factors that could cause actual results to differ materially from the forward-looking statements include risks that the assumptions and factors on which the forward-looking information is based differ from expectations, risks related to the COVID-19 global health crisis, the Company's history of losses, lack of revenue generation, and dependence on substantial financing to develop the Prairie Creek Mine, as well as all of the risk factors described in the Company's most recent Annual Information Form and Management's Discussion & Analysis filed with Canadian provincial securities regulatory authorities. The Company disclaims any intention or obligation to update or revise any forward-looking information, except as required by applicable law.