

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: [Eastern Zinc Corp.](#) (the "Issuer").

Trading Symbol: [EZNC](#)

Number of Outstanding Listed Securities: [67,302,175 Common Shares as of July 30, 2019](#)

Date: [August 07, 2019 \(for the month of July 2019\)](#)

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

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## Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer is engaged in the business of acquiring, exploring and developing natural resource properties with a focus on zinc, copper, silver properties/projects.

The Issuer holds interest, option or right of first refusal in the following properties:

- 100% right, title and interest in 7 contiguous mineral claims covering approximately 1,763 hectares in the Bulkley-Nechako Regional District of British Columbia.
- 100% right, title and interest in 121 contiguous mineral claims covering approximately 2,479 hectares in the Whitehorse Mining Division.
- 100% right, title and interest in the Bathurst Mining Project ("BMP" or "New Brunswick Zinc") situated within the Bathurst Mining District, one of Canada's most historic and illustrious zinc production camps. The BMP consists of 207 mineral claims covering more than 8,000 acres and is strategically situated in a world-class jurisdiction known for clusters of zinc-rich VMS deposits.
- 100% right, title and interest Buchans South Zinc Project and the Black Duck Zinc Project, collectively referred to as "Newfoundland Zinc". The Buchans South Zinc Project is located in the historic Buchans Mining District, which has delivered some of Canada's highest-grade zinc ore, including at the past-producing Buchans VMS mine. The Buchans Mining District is undergoing an exploration renaissance led by modern-day technology not previously deployed in the area. The project consists of 65 mineral claims covering 4,030 acres and is located adjacent to tenure held by Adventus Zinc Corp. Eastern Zinc is focused on generating VMS-related zinc targets within this project area. The Black Duck Zinc Project is situated in the Daniel's Harbour Zinc District and is located east of the historic Daniel's Harbour Zinc Mine where Newfoundland Zinc Mining owned by Teck Resources Ltd. ("Teck") mined a Mississippi Valley Type (MVT) zinc deposit from 1975 to 1990. Eastern Zinc is focused on generating MVT-related zinc targets within this project area. The Black Duck Zinc Project was previously held by Teck and covers 240 acres, including the area hosting the Black Duck Zinc Zone, which featured historic assays of 6.55% Zn over 2 feet (DH# 967) and 11.45% Zinc over 1.5 feet (DH# 1158) and delivers a drill ready-prospect (see Record ID# 1137, Mineral Occurrence Database System Report).
- 100% right, title and interest in six zinc exploration projects located in British Columbia:
  1. The Ron Zinc Project is located in British Columbia and is approximately 6,175 acres in scale. The project claims are adjacent to Selkirk Metals Corp's ("Selkirk"). Robb zinc project. Selkirk is a subsidiary of Imperial Metals Corporation. The area has been the focus of recent staking activity in October 2018 by Imperial Metals through their operating subsidiary. The host stratigraphy of the Ron zinc occurrence, which is located within the Ron Zinc Project, is similar to the Robb Lake deposit (BC MINFIL 094B 005), located about 7km to the south, where lead-zinc mineralization in dolomite breccias is distributed along the western flank of a large, southeast plunging anticline made up of Muncho-McConnell and Stone formations dolomites. The Ron zinc showing appears to be on the eastern flank of the anticline and is situated very close to the depositional edge of the carbonate platform. (See BC MINFILE 094B 012). In 2005, a representative chip sample (19753) from a mineralized (galena, sphalerite) crystallized dolomite mosaic breccia assayed 7.4 per cent lead, 1.6 per cent zinc and 1.2 grams per tonne silver (Assessment Report 28060). (see BC Minfile 094B 005). Eastern Zinc is focused on generating MVT Pb-Zn targets within this project area.

2. [Cardiac Creek West Zinc Project – The Cardiac Creek West Zinc Project is located in British Columbia and is approximately 2,036 acres in size. This project is adjacent to the Akie Project being advanced by ZincX Resources Corp. \(“ZincX”\) and is proximate to the Cardiac Creek deposit that ZincX is advancing. The Cardiac Creek zinc deposit held by ZincX hosts a NI 43-101 indicated resource of 22.7Mt grading 8.32% Zn, 1.61% Pb and 14.1 g/t Ag and an inferred resource of 7.5Mt grading 7.5% Zn, 1.24% Pb and 12.0 g/t Ag \(at a 5% Zn cut-off grade\)\(see NI 43-10 Technical Report, Akie Project, dated July 20, 2018 <http://zincxresources.com/resources/presentations/NI-43-101-Technical-Report.pdf> Eastern Zinc is focused on generating Zn-Pb-Ag SEDEX targets within this project area.](#)
  3. [Bonanza Zinc Project – The Bonanza Zinc Project is located in British Columbia and is approximately 422 acres in size. The project is situated in a region in which Silurian platformal sediments and mafic volcanic rocks are in fault contact to the west with Hadrynian to Lower Paleozoic McNaughton Formation metasedimentary rocks. A historic sample at the project assayed 2.74 g/t silver, 38% lead and 7% zinc \(BC MINFILE 093H 026\)](#)
  4. [Ern Zinc Project - The Ern Zinc Project is located in British Columbia and is approximately 867 acres in size. The project is underlain by a northwest trending, folded and faulted sequence of Cambrian to Mississippian sediments and carbonates. Cominco Ltd. \(now Teck\) originally staked the Ern claim in 1980. Within the Ern West zone, a 0.35m chip sample grading 8% zinc was returned \(BC MINFILE 094F 001\).](#)
  5. [Bear Central Zinc Project – The Bear Central Zinc Project is located in British Columbia and is approximately 1,483 acres in size. This exploration project is surrounded by the Bear/Spa Property being advanced by ZincX as part of its Akie Project. Eastern Zinc is focused on generating Zn-Pb-Ag SEDEX targets within this project area.](#)
  6. [Red Zinc Project - The Red Zinc Project is located in British Columbia and is approximately 2,655 acres in size. The project hosts the Red Zinc showing, an occurrence which is on the western edge of the Muskwa Anticlinorium, a major regional structure characterized by thrust faulting and moderate folding. Highly anomalous soils are present in the area, including values of up to 6 % zinc \(BC MINFILE 094K 028\). The project also hosts the Gut Zinc showing which assayed 6.25 per cent zinc over 3 metres from chip sampling \(BC MINFILE 094K 016\). Eastern Zinc is targeting carbonate-hosted, replacement-type massive sulphide deposits within this project.](#)
    - [100% right, title and interest in 14 mineral exploration licenses comprising 558 mineral claims in the Province of Nova Scotia, Canada. \(the “Windsor Basin Carbonate Property”\).](#)
    - [100% right, title and interest in 35 mineral claims \(the “BMC Properties”\) covering 22,000 hectares with a number of known mineral occurrences located in the mineral-rich Bathurst Mining Camp of New Brunswick, Canada.](#)
2. Provide a general overview and discussion of the activities of management.
- [During the month ended July 2019, the Issuer’s principal activities consisted of general management and administrative matters as well as the posting of AGM materials on SEDAR.](#)
- [On July 26, 2019, the Issuer announced that as a result of a technical disclosure review by the British Columbia Securities Commission \(“BCSC”\), the Company issued the following news release to clarify its disclosure.](#)

### Clear Lake Property, Yukon

On October 1, 2018, the Company issued a news release announcing the acquisition of the Clear Lake Property (the "Property") from Generation Mining Limited. This news release disclosed historical estimates for the Property that did not comply with s. 2.4 of NI 43-101 (Disclosure of Historical Estimates). The estimates disclosed are not supported by a compliant NI 43-101 technical report, contrary to NI 43-101, and these estimates should not be relied upon until they have been verified and supported by a technical report filed by the Company.

### Other Technical Disclosure Issues

As part of its technical disclosure review, the BCSC also reviewed the Company's news releases, corporate website, MD&A, and its most recent corporate presentation for compliance with NI 43-101. Their review outlined restricted and potentially misleading disclosure, which the Company would like to clarify as follows:

The Company's news releases on November 26, 2018 and February 25, 2019, website, and corporate presentation used language such as "large, low-cost, long-life zinc projects" or "Advanced Zinc Properties" that are potentially misleading since the Company has not yet completed mining studies on its early-stage properties and they do not meet the definition of an Advanced Property as defined under s. 1.1 of NI 43-101.

The Company's website and corporate presentation disclosed historical estimates that do not meet the requirements under s. 2.4 of NI 43-101, and disclosed the results of a PEA on an adjacent property to its Windsor Basin Carbonate Properties in Nova Scotia, which is considered Restricted Disclosure under NI 43-101 since the Company did not include the information required under s. 2.3(3) of NI 43-101.

The Company's news release on February 29, 2019 regarding the Bathurst Mining Camp ("BMC") Properties, May 29, 2019 MD&A, website, and corporate presentation relies on exemption 3.5 for disclosure of exploration information under s. 3.2 and 3.3 of NI 43-101. However, the news releases identified for this exemption were filed by the previous operator (SLAM Exploration Ltd. or "SLAM") and not the Company as required, therefore Eastern Zinc does not qualify for this exemption. In this particular case, Eastern Zinc did not perform any data verification of the Upper Road Zone exploration and drilling results in the BMC and was reliant on Mike Taylor, P.Geo., President and CEO of SLAM, and the Qualified Person who supervised the preparation of, and approved the technical information disclosed in the February 29, 2019 news release.

The Company's corporate presentation disclosed mineral resources/reserves that did not fully comply with s. 2.2 of NI 43-101, specifically s. 2.2(b) and (d). Furthermore, the Eastern Zinc website did not identify and disclose the relationship to the Company of the qualified person who prepared, supervised the preparation of, or approved of the technical information disclosed as required under s. 3.1 of NI 43-101.

The Company is currently addressing the disclosure issues outlined above and is in the process of removing any restricted or potentially misleading disclosure from its website and corporate presentation.

### Qualified Person Statement

All scientific or technical information contained in this news release was prepared and approved by Paul Ténière, P.Geo., President & CEO of Eastern Zinc Corp, who is a Qualified Person as defined in NI 43-101.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

There were no new products or services developed or offered by the Issuer during the month of **July 2019**.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

[There were no products or services discontinued during the month of July 2019.](#)

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

[There was no new business relationships entered into between the Issuer, the Issuer's affiliates or third parties during the month of July 2019.](#)

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

[There were no contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announce during the month of July 2019.](#)

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provides details of the relationship.

[There were no acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the month of July 2019.](#)

8. Describe the acquisition of new customers or loss of customers.

[This item is not applicable to the Issuer.](#)

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

[There were no new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks during the month of July 2019.](#)

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

[There were no employee hirings, terminations or lay-offs during the month of July 2019.](#)

11. Report on any labour disputes and resolutions of those disputes if applicable.

[There were no labour disputes during the month of July 2019.](#)

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

[There were no legal proceedings to which the Issuer became party to during the month of July 2019.](#)

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

[There was no indebtedness incurred or repaid by the Issuer during the month of July 2019.](#)

14. Provide details of any securities issued and options or warrants granted.  
[There we no securities issued and options or warrants granted during the month of July 2019.](#)
15. Provide details of any loans to or by Related Persons.  
[There were no loans to or by Related Persons during the month of July 2019.](#)
16. Provide details of any changes in directors, officers or committee members.  
[There were no changes in directors, officers or committee members during the month of July 2019.](#)
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.  
[The trends and risks which are likely to impact the Issuer are detailed in the Issuer's Form 2A Updated Listing Statement dated January 31, 2019 under the heading 17. "Risk Factors". The Form 2A Updated Listing Statement is available on the Issuer's disclosure hall with the CSE at \[www.thecse.com\]\(http://www.thecse.com\).](#)

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## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated August 7, 2019.

Joel Dumaresq  
Name of Director or Senior Officer

"Joel Dumaresq"  
Signature

CFO  
Official Capacity

<b>Issuer Details</b>		For Month End	Date of Report
Name of Issuer			YY/MM/DD
<u>Eastern Zinc Corp.</u>		<u>July 2019</u>	<u>19/08/07</u>
Issuer Address			
<u>Suite 810-789 West Pender Street</u>			
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.	
<u>Vancouver, BC V6C 1H2</u>	<u>(604)687-3141</u>	<u>(604)687-2038</u>	
Contact Name	Contact Position	Contact Telephone No.	
<u>Joel Dumaresq</u>	<u>CFO &amp; Director</u>	<u>(604)687-2038</u>	
Contact Email Address	Web Site Address		
<u>Joel@pashleth.com</u>	<u>N/A</u>		