

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Kootenay Zinc Corp. (the "Company" or the "Issuer").

Trading Symbol: ZNK

Number of Outstanding Listed Securities: 38,563,294

Date: May 4, 2017

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.

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.

On April 11, 2017, The Sully project team completed a detailed interpretation of the recent gravity work on the E1 anomaly. The work included equivalent mass modeling with particular emphasis on the southern portion of the anomaly.

The geophysical interpretation has greatly benefited from increased and closer spaced gravity stationing that has provided better definition of the anomaly. Additionally, the new modelling shows how and where the previous drill holes missed the E1S target. The new close spacing of gravity field stations at E1S made it possible to generate three-dimensional-equivalent mass models for the first time on any of the anomalies at Sully.

The E1S model indicates the mass has a strike length of about 150 metres and that it is truncated at its north and south ends. It also shows that the target extends from a depth of approximately 70 metres to 270 m below surface but the target may well continue to depths below 270 m.

The E1S mass models truncated north and south ends are generally square, implying fault cut-offs, and that it was once part of a larger continuous mass. This is consistent with previous news describing observed complexity of drill core as a result of faulting (and folding) in the zone of interest.

On April 20, 2017, Excel Geophysics have completed an additional 180 gravity stations at the E1 anomaly since mobilizing in April 12, 2017 that brought station spacing to roughly 20 meters by 20 metres. The gravity work will assist in improving the target of the E1 anomaly and will also help in benchmarking the appropriate station spacing in Sully. Once finished, the geophysical crew will continue their field work over E2, E3 and E4 to provide definition of these recently identified and larger magnitude gravity anomalies.

The project team is now in receipt of an approved notice of work permit for all planned drilling at Sully, including tests of the E2, E3 and E4 anomalies identified in late 2016

The drilling target at E1 Sully is intended to provide proof of concept, that the gravity masses are caused by massive sulphides. If successful, drilling will be expanded to test all of the east anomalies once their mass models are completed.

As the field season progresses and additional targeting information is acquired, the team will evaluate access opportunities and priorities for subsequent drill sites such that drilling can continue seamlessly through the field season.

2. Provide a general overview and discussion of the activities of management.

Sully project team has now completed a detailed interpretation of recent gravity work focused on the Sully E1 anomaly. That work included equivalent mass modelling with particular emphasis on the southern portion of the anomaly (now named E1S). Importantly, the work highlights a distinct drill target located immediately south of recently completed holes SY16-10 and SY17-11.

The geophysical interpretation has greatly benefited from increased and closer spaced gravity stationing that has provided better definition of the anomaly. The new modelling also shows how and where the previous drill holes missed the E1S target as the company knows it now. The new close spacing of gravity field stations at E1S made it possible to generate three-dimensional-equivalent mass models for the first time on any of the anomalies at Sully. The E1S model indicates the mass has a strike length of about 150 metres and that it is truncated at its north and south

ends. It also shows that the target extends from a depth of approximately 70 metres to 270 m below surface but the target may well continue to depths below 270 m.

On April 20, 2017, Excel Geophysics have completed an additional 180 gravity stations at the E1 anomaly since mobilizing in April 12, 2017 that brought station spacing to roughly 20 meters by 20 metres. The gravity work will assist in improving the target of the E1 anomaly and will also help in benchmarking the appropriate station spacing in Sully. Once finished, the geophysical crew will continue their field work over E2, E3 and E4 to provide definition of these recently identified and larger magnitude gravity anomalies.

The project team is now in receipt of an approved notice of work permit for all planned drilling at Sully, including tests of the E2, E3 and E4 anomalies identified in late 2016

New drill targeting at E1S is intended to provide proof-of-concept, specifically that the gravity masses indicated are caused by massive sulphides. If successful, drilling will be expanded to test all of the east anomalies once their mass models are completed

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.

On April 11, 2017, the Company had completed a detailed interpretation of recent gravity work focused on the Sully E1 anomaly. That work included equivalent mass modelling with particular emphasis on the southern portion of the anomaly (now named E1S). Importantly, the work highlights a distinct drill target located immediately south of recently completed holes SY16-10 and SY17-11.

The E1S model indicates the mass has a strike length of about 150 metres and that it is truncated at its north and south ends. It also shows that the target extends from a depth of approximately 70 metres to 270 m below surface but the target may well continue to depths below 270 m.

The E1S mass models truncated north and south ends are generally square, implying fault cut-offs, and that it was once part of a larger continuous mass. This is consistent with previous news describing observed complexity of drill core as a result of faulting (and folding) in the zone of interest.

On April 20, 2017, the Company completed an additional 180 gravity stations at the E1 anomaly since mobilizing on April 12, 2017, bringing station spacing there to roughly 20 metres by 20 metres. Once work at E1 is completed, the geophysical crew will continue their field work over E2, E3 and E4 to provide definition of these recently identified and larger magnitude gravity anomalies. The project team is now in receipt of an approved notice of work permit for all planned drilling at Sully, including tests of the E2, E3 and E4 anomalies identified in late 2016.

FB Drilling has now mobilized to Drill hole SY17-12 at E1S target and is setting up at a new collar approximately 50 metres south of the SY17-10/11 site to test the E1S target described previously. Drilling will be undertaken using the same methodology and approach as previous holes, including tools to minimize deviation of the hole and to provide oriented core for measurement of structural features.

DDH SY17-12 will be oriented at a dip of minus 45 degrees toward east, and the target is expected to be intersected between 200 metres and 300 metres.

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.
None.
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.
None.
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.
None.
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 provide details of the relationship.
None.
8. Describe the acquisition of new customers or loss of customers.
Not applicable
9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.
There were no new developments.
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.
There were no employee activities.
11. Report on any labour disputes and resolutions of those disputes if applicable.
Not applicable.
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 are no legal proceedings.
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None.

14. Provide details of any securities issued and options or warrants granted.

None.

15. Provide details of any loans to or by Related Persons.

None.

16. Provide details of any changes in directors, officers or committee members.

None.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

There are no trends specific to the Issuer at this time.

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 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: May 4, 2017

Name of Director or Senior Officer

Anthony Jackson

"Anthony Jackson"

CFO, Director

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| Issuer Details Name of Issuer Kootenay Zinc Corp. (formerly Oceanside Capital Corp.) | For Month End April, 2017 | Date of Report YY/MM/D 17/05/04 |
| Issuer Address #800 – 1199 W. Hastings Street | | |
| City/Province/Postal Code Vancouver, BC V6E 3T5 | Issuer Fax No. (888)241-5996 | Issuer Telephone No. (604)630.3838 |
| Contact Name Anthony Jackson | Contact Position CFO, Director | Contact Telephone No. (604)630.3838 |
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