Castle East Gold Zone Southwest of High-Grade Silver Discovery Broadens After Big Step-Out

March 2, 2020 (Source) – Canada Cobalt Works Inc. (TSXV: CCW) (OTC: CCWOF) (Frankfurt: 4T9B) (the "Company" or "Canada Cobalt") is pleased to announce that as a new high-grade silver discovery continues to build out at Castle East, with a major update expected in the coming days, geologists are learning more about the sulphide-rich Archean rocks with strong gold potential above and below the Nipissing diabase that were never systematically explored in the prolific past producing Gowganda Silver Camp.

The Castle Archean package, featuring favorable structural and geological characteristics in the southwest Abitibi greenstone belt, is now increasingly viewed as prospective for quartz-carbonate vein-type gold deposits as well as base metal and PGE mineralization following initial phase exploration by Canada Cobalt.

Matt Halliday, VP-Exploration for Canada Cobalt, commented: "It's not unusual to find different types of deposits in a mining camp, even a century or more after the birth of a camp such as Gowganda. The growing gold potential of the 78 sq. km Castle Property, through first-pass drilling and a very limited amount of exploration to date, is a fascinating development and points to geological processes that were more complex and dynamic than previously recognized. This has our team very excited, though our highest priority for obvious

reasons is the emerging new high-grade silver deposit at Castle East.

“Gold and other potential deposit types at the Castle Property are being partly explored through our ongoing program targeting additional high-grade silver zones within broad areas of untested diabase immediately adjacent to three robust past silver producers (Castle, Capitol and O’Brien),” Halliday continued. “We look forward to important updates regarding this compelling high-grade grassroots silver discovery during this first half of March.”

Castle Property Gold Highlights:

- The only gold-focused drill hole at Castle East completed in 2019 (CS19-19) has cut **4.3 g/t Au over 4 meters** and **1.5 g/t Au over 12.5 meters** within a **30**-meter mineralized zone (core length, true width unknown at this time) grading 0.70 g/t (vertical depth approximately 240 meters). This broad interval included 1 meter that returned **15.2 g/t Au**;
- CS19-19 was a 240-meter step-out southwest of the only hole drilled toward the north (out of several holes completed in 2018) which cut 2.07 g/t Au over 1.50 meters starting 109 meters downhole (CS18-15) and also featured long intervals of highly anomalous nickel-copper mineralization;
- CS19-19 was also a 100-meter step-out west of 2018 drill hole CS-18-16W which cut three separate intervals of gold mineralization including 5.5 g/t over 0.37 meters, 1.59 g/t over 1.32 meters within 6.15 meters grading 0.56 g/t, and 1.35 g/t over 1.27 meters within 2.12 meters grading 0.92 g/t (core lengths);
- CS18-15, CS18-16 and CS18-16W all intersected wide intervals of highly anomalous nickel-copper mineralization;
- Through initial drilling and prospecting, gold-bearing quartz-carbonate veins at Castle East are now known to

extend for several hundred meters west to east and 200 meters north to south, from surface to vertical depths up to nearly 300 meters. This broad overall zone remains open in all directions (CS19-19 was collared approximately 1.3 km southeast of the Castle mine and 500 meters southwest of the Robinson zone high-grade silver discovery);

- As an enhanced geological understanding develops around east-west and north-south trending structures, follow-up drilling will vector toward potentially richer mineralization;
- First-pass drilling, surface sampling, trenching, boulder tracing, geophysics and MMI soil surveys show structurally aligned anomalies indicative of a broad and robust hydrothermal system;
- High-grade gold discovered for the first time in underground drilling within the diabase at the Castle mine, including 22.7 g/t Au over 0.30 m within a 2.4-m core interval grading 5.8 g/t Au (refer to Jan. 3, 2020 news release), is being investigated by SGS Labs for a possible association with the Archean rocks.

Refer to the Canada Cobalt website for assay tables, drill hole coordinates and an updated map for the Castle East Gold zone.

Strong Exploration Potential Extends 17 Km To Northeast

A 2007 assessment report refers to anomalous platinum and palladium mineralization and the discovery of high-grade gold in the early 1900’s on what’s now the northern portion of the Castle Property in the Shillington area near the Round Lake batholith, approximately 17 km northeast of the Castle East Gold zone, which led to some small pits and a shaft to the 175-foot level. A series of drill holes by Golden Chalice Resources in 2005 failed to intercept high-grade gold but did outline an intriguing near-surface quartz breccia copper zone with a minimum strike length of 200 meters (source: Jan. 26,

2007 Assessment Report for Golden Chalice Resources' Shillington Property, Peter Caldbick, P.Geo.).

Drill intercepts (core lengths) noted in the above Assessment Report included **1.27% copper over 12.30 meters** (23m to 35.30m) and **5.67% Cu over 0.50 meters** (44.5m to 45m) in drill hole GCSH10; **1.74% Cu over 3.5 meters** in GCSH8; and **1.12% Cu over 4 meters** in GCSH9, also at shallow depths. This discovery, which could indicate the potential for an IOCG-type deposit, was never followed up on, also leaving multiple airborne and geophysical conductors unexplained or untested. Canada Cobalt acquired these highly prospective claims in the spring of last year when it expanded the Castle Property to 78 sq. km.

Cautionary Statement

No independent sampling or verification drilling program has been conducted by Canada Cobalt to verify the sampling and drilling program of Golden Chalice in 2005. The January 2007 assessment report included drill logs, sections and assay certificates from industry accepted laboratories. However, there was no mention of the quality control procedures used from field to lab.

PDAC Investor Presentation

Canada Cobalt is pleased to invite investors to a PDAC 2020 presentation by Matt Halliday, CCW VP-Exploration, focussed on the company's high-grade silver discovery at Castle East. This presentation is at 4:00 pm Monday, March 2, in Room 803 of the South Building, Metro Toronto Convention Centre. The presentation is part of PDAC's Corporate Presentation Forum for investors.

Property Map

Visit the Canada Cobalt website at www.CanadaCobalt.com for an updated Castle Property Map, or click on the following link:

https://www.canadacobaltworks.com/projects/maps/

Location

The Castle Property is 15 km east of Pan American Silver's Juby gold deposit, 20 miles due south of Alamos Gold's Young–Davidson mine, and 45 km southwest of Kirkland Lake Gold's Macassa Complex.

Quality Assurance/Quality Control

Core sampling, sample preparation, sample handling and transport all followed a protocol established by GoldMinds Geoservices that included a strict chain of custody from sampling to the laboratory. The geologists at GoldMinds inserted blanks and standards at random intervals in each batch of approximately 40 samples. The standards were prepared by ASL Analytical Solutions.

Samples were sent to ALS Laboratory (independent laboratory in Rouyn-Noranda). The ½ core samples were crushed to 80% passing 2mm, riffle splitting 250g and pulverizing the split to have a pulp 80% passing 75 microns. Samples were assayed using multi-acid digestion and atomic absorption. Fire assay was used for gold grade determination.

The results from the combination of blanks, standards and the internal QA/QC met the quality criteria, indicating that Canada Cobalt can rely on the reported values.

The authors believe that the sample preparation, security, and analytical procedures were adequate and well suited for the purpose of the 2019-2018 drilling program.

Qualified Person

The technical information in this news release was prepared under the supervision of Mr. Merouane Rachidi, Ph.D., P.Geo., (APGO, APEGNB and OGQ) of GoldMinds Geoservices, a qualified person in accordance with National Instrument 43-101.

About Canada Cobalt Works Inc.

Canada Cobalt's flagship Castle mine and 78 sq. km Castle Property features strong exploration upside for silver, cobalt, nickel, gold and copper in the prolific past producing Gowganda high-grade Silver District of Northern Ontario. With underground access at Castle, a pilot plant to produce cobalt-rich gravity concentrates on site, and a proprietary hydrometallurgical process known as Re-2OX for the creation of technical grade cobalt sulphate as well as nickel-manganese-cobalt (NMC) formulations, Canada Cobalt is strategically positioned to become a vertically integrated North American leader in cobalt extraction and recovery while it also exploits a powerful new silver-gold market cycle.

"Frank J. Basa"
Frank J. Basa, P. Eng.
President and Chief Executive Officer

 This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.