Canada Cobalt Drills 2.28% Cobalt Over 7 Meters at Castle

written by Raj Shah | November 3, 2018

November 2, 2018 (Source) – Canada Cobalt Works Inc. (TSXV: CCW) (OTC: CCWOF) (Frankfurt: 4T9B) (the "Company" or "Canada Cobalt") is pleased to announce that underground drilling on the first level of the Castle mine, specifically targeting cobalt for the first time at this historic silver producer, has returned high-grade cobalt, nickel and silver grades.

Highlights from the first three drill holes are as follows:

- **2.28**% cobalt, **261** g/t silver and **1.65**% nickel over **7.00** meters in hole CA18-001
- **1.87**% cobalt, **4,763** g/t silver, **1.29**% nickel and **1.19** g/t gold over **2.54** m in CA18-002
- **3.16**% cobalt and **10,741** g/t silver (**345** ounces per tonne) over **0.60** meter in hole CA18-003

Frank Basa, Canada Cobalt President and CEO, commented: "These cobalt grades are very high in a global context and demonstrate the unique opportunity at the Castle mine, from which we have already created battery grade cobalt sulphate through our proprietary Re-2OX process for evaluation by clients in Asia and Europe.

"The purpose of this initial and continuing underground drill program is to confirm that the Castle vein structures do contain impressive cobalt values. Previous operators focused exclusively on mining high-grade silver through the 11 levels, ignoring cobalt and other metals such as nickel and gold.

"We have a lot of room on the first level while pump testing continues to the second level, beginning at a depth of 25

meters. In light of these initial results, we are accelerating efforts at deploying the most effective underground techniques to fully leverage the Castle mine cobalt opportunity for shareholders," Basa concluded.

Holes CA18-001, 002 & 003

The first three holes targeted a vein structure near the adit entrance and attempted to follow the vein from a series of inclinations from approximately the same drill set-up through the Nipissing Diabase toward the second level in order to test grade potential (follow-up drilling across the structure will assess true widths). Drilling in these holes exited the vein at depths of 7 meters, 6 meters and 9.25 meters, respectively, reaching a maximum hole length of 30 meters, underscoring the potential to identify additional high-grade mineralization at significantly deeper levels through additional drilling in this area and elsewhere. Intervals reported below are core lengths with true thickness unknown at this time.

The Company eagerly anticipates additional assay results and has fully winterized the Castle mine for continued underground work including drilling over the coming months.

Canada Cobalt also expects to provide an update shortly on the surface drill program east of the mine where a potential new discovery has been made with the third drill hole of the 2018 program (see October 24, 2018, news release).

Quality Assurance/Quality Control

Canada Cobalt Works' AQTK drill program employs diligent standards in drill core sampling and quality assurance/quality control. Core from the above holes was sent to Swastika Laboratories in Swastika, Ontario, for analysis. Where silver

was visually and significantly present, a Pulp-Metallic analysis was completed for the silver assays where the entire sample was dried, weighed and crushed over 95% then fully pulverized and passed through 147-micron screen to create a plus 147-micron fraction (metallics) and a minus 147-micron fraction (pulp). Approximately 50 grams of the metallic fraction was weighed, fused and assayed by Fire Assay. The resulting dore bead of gold and silver was weighed before adding HNO3 acid to dissolve the silver. The remaining gold bead was weighed and subtracted from the gold + silver bead to give a silver weight and grade for the metallics portion. The minus 147-micron fraction (pulp) had two samples from entire pulp which were weighed then digested by two acids aqua-regia and finalized by AAS reading for Co, Ag and Ni. Final silver grade is a calculated weighted average using grades and weights from both pulps and metallics.

As gold was not assayed in the pulps, the final gold assay was calculated by weighted average, as for the silver, but assuming a 0.0 g/t grade for the pulp portion. Cobalt and nickel were reported as percent grade. Other samples were assayed for cobalt, silver and nickel by AAS after aqua-regia digestion. Analytical accuracy and precision are monitored by the analysis of reagent blanks and reference materials at the lab. Quality control is further assured by the insertion of blind certified standard reference material and blanks into the sample stream at regular intervals by Canada Cobalt Works personnel in order to independently assess analytical accuracy.

Qualified Person

The technical information in this news release was prepared under the supervision of Frank J. Basa, P.Eng., Canada Cobalt’s President and Chief Executive Officer, who is a member of Professional Engineers Ontario and a qualified person in accordance with National Instrument 43-101.

About Canada Cobalt Works Inc.

Canada Cobalt is a pure play cobalt company focused on its past producing Castle mine in the Northern Ontario Cobalt Camp, Canada's most prolific cobalt district. With underground access at Castle, a recently installed 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.

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

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