Canada Cobalt Launches Castle Mine Tailings Initiative

written by Raj Shah | March 2, 2019



March 1, 2019 (Source) – Canada Cobalt Works Inc. (TSXV: CCW) (OTC: CCWOF) (Frankfurt: 4T9B) (the "Company" or "Canada Cobalt"), a technology leader in the Northern Ontario Cobalt-Silver Camp, is pleased to announce that the Company has added another catalyst to its first half 2019 strategy – a unique and environmentally friendly program with a plan to develop cost-effective near-term recovery of silver and gold mineralization from an historic tailings area approximately 300 meters from the #3 Shaft at the Castle mine.

The Company considers the tailings very prospective for high-grade silver and other metals, including gold and cobalt, based on historical records and just-received results from SGS Lakefield which has produced a gravity concentrate from the tailings grading **389** g/t silver, 0.63 g/t gold and 0.20% cobalt.

The tailings program will initially target silver and gold and will be optimized through the Re-2OX process to recover other metals including cobalt, nickel and copper. It will also be used as a template by the Company for similar potential initiatives in Gowganda and elsewhere in the broader region where innovative approaches to decades-old tailings issues can deliver important environmental solutions as well as potential business growth opportunities.

Highlights:

- Canada Cobalt has acquired gravity separation spiral concentrators, made by Mineral Technologies of Australia, for test work which is being undertaken to complete a flow sheet for a pilot plant that can treat a minimum of 600 tonnes of tailings per day;
- Mineral Technologies' spiral concentrators are designed to be highly efficient and easy to install, featuring minimal maintenance requirements and high recoveries;
- The stamp mill coarse tailings from early 20th century mining at Castle will be processed underground at the Castle mine near the #3 Shaft in a wide-open area on the first level;
- The stopes on the first level will be fully cleaned out and back-filled (cemented) with the tailings waste from the high-grade concentrate created underground.

Frank J. Basa, Canada Cobalt President and CEO, commented. "The tailings 'problem' in Northeast Ontario's historic silver-cobalt mining district is really a tailings 'opportunity', and our intention is to capture that opportunity for Canada Cobalt shareholders.

"We've been a leader on multiple fronts in this district. We look forward to working closely with our First Nation partners and the Ministry of Mines to implement a tailings program at Castle that can be a model for similar initiatives in the Gowganda Camp and elsewhere throughout the region from the town of Cobalt to Silver Centre," Basa concluded.

The above program is part of an amendment to the Company's advanced exploration permit with the Ontario Ministry of Northern Development and Mines.

Cautionary Statement

No resource estimate or economic analysis of the Castle tailings

area has been carried out by the Company.

Canada Cobalt will not be basing a production decision at Castle on a feasibility study of mineral reserves demonstrating economic and technical viability, and as a result there is increased uncertainty and there are multiple technical and economic risks of failure associated with such a decision. These risks, among others, include areas that are analyzed in more detail in a feasibility study, such as applying economic analysis to resources and reserves, more detailed metallurgy and a number of specialized studies in areas such as mining and recovery methods, market analysis, and environmental and community impacts.

Canada Cobalt Presents At PDAC

Canada Cobalt President and CEO Frank J. Basa is scheduled to make a presentation to investors as part of the Corporate Presentation Forum at PDAC 2019 in Toronto.

The presentation will be in the Energy Metals and Specialty Products session on **Monday, March 4, starting at 11:15 am EST in Room 803** in the South Building of the Metro Toronto Convention Centre.

Mr. Basa's presentation will focus on Canada Cobalt's aggressive plans and potential catalysts for 2019 including:

- Today's announcement of an innovative tailings project;
- Phase 2 underground drilling to follow up on recently announced Phase 1 results that included multiple high-grade shallow cobalt and silver intercepts (refer to Feb. 19, 2019, news release);
- The technological lead that the Company has achieved with its environmentally green Re-2OX hydrometallurgical process for recovery of cobalt, base metals and precious

metals;
- Exciting Castle East discovery opportunities – gold, silver and cobalt;
- Favorable share structure and plans to continue to keep share dilution to a minimum, further distinguishing Canada Cobalt from its peers in the Northern Ontario Cobalt-Silver district.

Mr. Basa will be available for questions after the presentation and also will meet with investors during PDAC at Booth 2738 in the Investors Exchange exhibit area on the 800 level in the South Building.

Canada Cobalt was recently ranked by the TSX among the Top 5 Mining Companies in its 2019 Venture 50 listing of top performers on the Venture Exchange in 2018. The Company regards this ranking as a validation of the strategy it has pursued toward building a vertically integrated mining company.

Quality Assurance/Quality Control

A 120-kilogram sample from the Castle mine's historic tailings pond was randomly collected in pails and subsequently transported by courier to SGS Laboratories, an accredited lab in Lakefield, Ontario. Samples were submitted for assay. Aqua regia digestion and atomic absorption finish were used for silver, gold, cobalt, nickel and copper analysis.

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 focused on immediate and longer-term value drivers at its past producing Castle mine and adjoining land package in the historic Northern Ontario Silver-Cobalt district, Canada's cobalt heartland since the start of the electric vehicle revolution. With underground access at Castle, an innovative tailings program with a plan to recover silver, gold and cobalt, a recently installed pilot plant to produce gravity concentrates on site, and a proprietary hydrometallurgical process known as Re-2OX, Canada Cobalt is strategically positioned to become a vertically integrated North American mining company.

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

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