Canada Cobalt Discovers Broad New Mineralized Zones in Drilling 1.5 km East Of Castle Mine

written by Raj Shah | October 25, 2018

October 24, 2018 (Source) – Cobalt Works Inc. (TSXV: CCW) (OTC: CCWOF) (Frankfurt: 4T9B) (the "Company" or "Canada Cobalt") is pleased to announce that drilling 1.5 km east-southeast of the Castle mine, in an under-explored area prospective for a new deposit type, has intersected well-mineralized felsic Archean units at a downhole depth between 77 meters and 163 meters as well as mineralized mafic to ultramafic units above and below over significant widths starting from surface.

Drilling of this third hole of the program continues.

The upper 77 meters of the hole is a coarse-grained, variable-textured and apparent cumulate gabbroic body (crystals up to 1 cm diameter) with disseminated pyrite throughout. From 77 m to 163 m is an intensely-altered, silicified and pyritized zone of felsic rocks unlike anything previously intersected at the Castle Property. Below the highly silicified unit are mineralized mafic to ultramafic units. Mineralization in these units consists of four distinct horizons featuring up to 1-cm diameter, coarse-grained blebby sulphides.

Core is being investigated and assayed for gold, platinum group elements, nickel and other potential metals.

A thin layer of overlying Huronian sedimentary rocks masked this

area from previous exploration. The hole, collared 27 meters south of a strong, multi-element MMI soil anomaly and at the center of a 725-meter-long east-west trending IP anomaly with an associated chargeability halo, was drilled toward the north.

At the completion of this hole, a follow-up hole will be collared to the north of the MMI anomaly and 50 meters to the west, drilled southward to give a second cut through these newly-discovered mineralized zones.

Underground Drilling Update

A total of 67 underground drill holes have now been completed on the first level of the Castle mine. Visual analysis of core supports the Company's geological model that many well-mineralized cobalt vein structures were left behind by previous operators. The Company looks forward to providing initial assay results, and a steady stream thereafter, within the next seven to 10 days.

Pilot Plant Produces 8.25% Cobalt Concentrate From Waste Pile

Canada Cobalt's on-site proprietary pilot plant recently produced a gravity concentrate from a 250-kilogram sample randomly selected from the Castle mine waste pile (material left behind outside the mine by previous operators). Subsequent assaying by Swastika Laboratories has returned a cobalt concentrate grading **8.25**%, featuring head grades of **0.39**% cobalt and **1,905** g/t silver.

Frank Basa, Canada Cobalt President and CEO, commented, "Such head grades from the waste pile at Castle are extremely encouraging, not to mention our ability to produce such a high cobalt concentrate on site from material that was considered waste decades ago. Our proprietary Re-2OX process takes the concentrate from this stage, removes the arsenic and converts

the concentrate into a client-specific technical grade cobalt sulphate.”

Quality Assurance/Quality Control

Two samples weighing a total of 250 kilograms, having been processed in Canada Cobalt Works’ proprietary Re-2OX pilot plant at the Castle Property, were taken to Swastika Laboratories in Swastika, Ontario, for analysis where a pulp-metallic analysis was completed for the silver assays. 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 HNO_3 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 fraction (pulp) had 2 samples from entire pulp which were weighed and then digested by two acid 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 Au grade for the pulp portion. Cobalt, nickel and copper were provided as percent grade. Analytical accuracy and precision are monitored by the analysis of reagent blanks and reference materials at the lab.

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

 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.