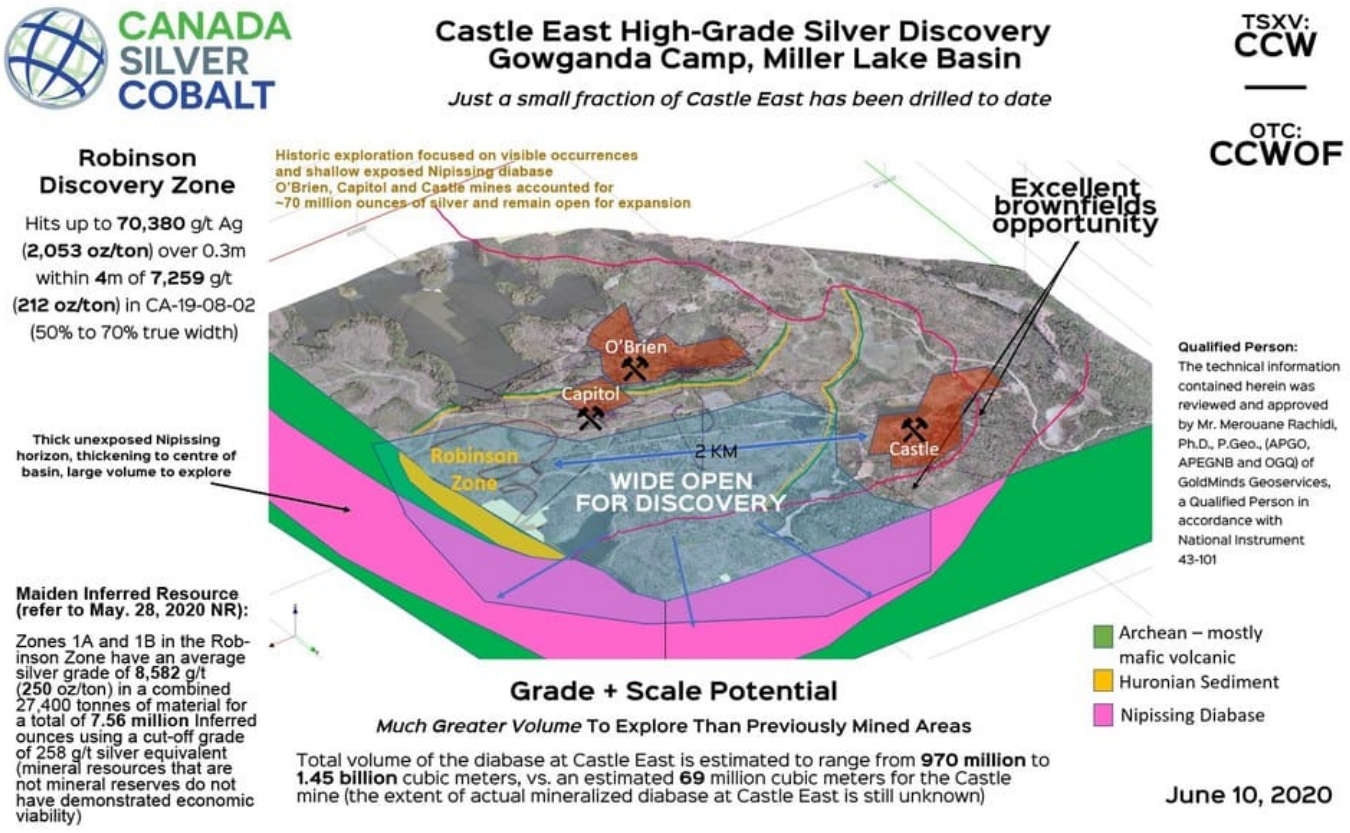
Canada Silver Cobalt Ramps Up Drilling at Castle East Discovery, Closes $1.2 Million Private Placement

written by Raj Shah | June 16, 2020

June 15, 2020 (Source) – Canada Silver Cobalt Works Inc. (TSXV: CCW) (OTC: CCWOF) (Frankfurt: 4T9B) (the "Company" or "Canada Silver Cobalt") is pleased to announce the Company has closed a flow-through private placement with strategic investors, raising gross proceeds of $1.2 million by issuing 2,000,000 units at $0.60 per flow-through unit (see details below).



Castle East In Perspective (CNW Group/Canada Silver Cobalt Works

Inc.)

Proceeds of the flow-through private placement will be used to further ramp up drilling and exploration over the coming weeks at the Company's 100%-owned Castle East high-grade silver discovery in Northern Ontario's Gowganda Camp.

Wedge Holes Take Aim At Rich Second "Trunk" Potential

After extending the original Robinson Zone high-grade discovery vein 47 meters up-dip through drill hole CS-20-24 from surface, geologists are now resuming a wedge hole strategy that proved to be very effective last winter when the extremely rich Robinson Zone was first delineated, leading to a maiden Inferred resource estimate (refer to May 28, 2020 news release).

Starting today, an initial two wedge holes, drilled up-dip from different directions based on the orientation of the vein, are targeting the extension of the high-grade vein discovered 95 meters below the Robinson Zone in drill hole CS-20-22 that was not included in the resource estimate (**8,339** g/t Ag or **243 oz/ton** over 0.35m within 0.60m of **4,971** g/t Ag or **145 oz/ton**, estimated at 50% to 70% true width). This vein, featuring native dendritic silver (large "rosettes"), has a different texture to it than the vein in the original discovery, suggesting the Castle East mineralizing event was driven by multiple phases.

Matt Halliday, VP Exploration, commented: "It appears we have found the first two 'trunks' of this system. Based on district geology we expect to find branches off these trunks and a possible connection between these trunks through a network of veins.

"We have a very large area that has never been systematically drill tested, so the scale potential is very significant. We know we have the grade with 7.6 million Inferred ounces at **250**

oz/ton in a very concentrated area, ideal for accessing through a ramp," Halliday concluded.

Flow-Through Private Placement Details

Each FT Unit comprises one flow-through common share of the Company and one half of one share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of $0.70 per share, for a period of two years from closing, subject to TSX Venture Exchange ("Exchange") approval.

Canada Silver Cobalt has paid finder fees in the amount of $94,000 and issued 156,665 finder warrants in connection with the FT private placement. The finder's warrants are on the same terms as the financing warrants. The finder fees are subject to Exchange approval.

All securities issued in connection with the private placement will be subject to a four–month and a day hold period expiring on October 16, 2020, in accordance with applicable Canadian securities laws.

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 NI 43-101.

About Canada Silver Cobalt Works Inc.

Canada Silver 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-Cobalt District of Northern Ontario. With an important new discovery at Castle East,

underground access at the Castle mine, a processing facility (TTL Laboratories) in the nearby town of Cobalt, a proprietary hydrometallurgical process known as Re-2OX, and the Beaver and Violet properties, CCW is strategically positioned to become a Canadian leader in the silver-cobalt space.

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

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. 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.