Canada Silver Cobalt Review of Strategic Developments with Real Time Progress Update

written by Raj Shah | May 19, 2021

May 19, 2021 (Source) – Canada Silver Cobalt Works Inc. (TSXV: CCW) (OTC: CCWOF) (Frankfurt: 4T9B) (the "Company" or "Canada Silver Cobalt") is pleased to provide an update on strategic developments using a proven business model in the Cobalt Camp to achieve production that was employed by successful mining companies like Teck Corp, Noranda, and Agnico-Eagle Mines, all of whom had their roots in the Cobalt Camp.

Highlights of Strategic Developments

- Discovered high-grade silver mineralized structures – the first and only major discovery in the Historic High-Grade Silver Cobalt Camp in the last 50 years. Ongoing 50,000-meter drilling program.

- Poured a silver bullion bar using the furnace at Temiskaming Testing Labs from the metallics screened from the high-grade silver-cobalt material of the Castle Silver Mine. Completed the purchase of former Provincial Government's 20,000 square foot Temiskaming Test Labs (TTL) – a complete analytical lab facility and plant for processing high-grade silver into bullion silver bars.

- Used the Re-2Ox hydrometallurgical process to produce battery-grade cobalt sulfate. From the same high-grade silver-cobalt material as above, SGS Canada, a Top-tier global service provider to the mining industry, recovered 99 percent of the arsenic.

- Canada Silver Cobalt is the first company to produce battery-grade Cobalt-sulphate and to recover the arsenic – and the only company in the Cobalt Camp to have done so. Cobalt and Arsenic are 2 of the 35 minerals deemed critical to U.S. National Security and the Economy (www.usgs.gov).

Canada Silver Cobalt is the first Company to make a major high-grade silver discovery in Ontario's 180-kilometer arcuate regional mining district stretching from Gowganda to Silver Centre in the past 50 years. Material from narrow, massive native silver veins was crushed and screened to produced 90 percent pure metallics silver and was then melted and poured using the furnace at TTL directly into a bullion bar. The Company boasts the highest inferred silver resource in the world with 7.5 million ounces at 250 ounces per ton (8,582 g/t).

An upgrade of both the assay lab and high-grade silver processing circuit in the plant has been completed. To ensure regulatory impartiality, the company has engaged a contract lab operator to operate the lab independent of the company. Trial assays are set to begin in June with an aim to attain a 6000-assay per month analytical lab capacity. The secondary crushing and screening circuit in the high-grade silver plant has been rebuilt with a processing capacity rated at 18-20 tonnes per hour. In addition, the bullion furnace has been relined to ensure a fresh and seamless start.

The company has engaged with community members, with municipal, provincial, and federal government officials, with local stake holders, and with five distinct First Nation Communities with three separate agreements in place. The company is proud to be one of only a few that has had a First Nations member as an active director on the Board since 2015.

Highlights of On-going, Real-Time Developments

- First and only company in the Cobalt Camp to open up an adit and drill underground in the past 40 years; rehabilitate the first level and set up the former mine shaft for dewatering; conduct a pumping test at the Shaft dewatering at 50,000 liters per day; apply for permits for bulk sample mining of mineralized material in open stopes; purchase scoop tram and related mining equipment to begin mining program once permits received. Company confirmed the presence of High-Grade Silver and Cobalt veins left unmined underground which is considered a source of primary feed using a proven, low-cost, successful business model for going into production in the Cobalt Camp by residual mining.

- Completed mill flowsheet for 600 tpd gravity-flotation Mill with planned initial mill location to be on historic mill footprint. Having identified multiple mineralized vein structures in that area, the proposed mill site was relocated to more proximal to the proposed ramp into the Robinson Zone. On-going drilling to locate a potential non-mineralized area for mill site.

- Conceptual ramp to Robinson High-Grade Silver Zone completed by mining consultant. Environmental studies to be completed first quarter 2022.

- Beaver stamp mill tailings drilled and sampled. Permit for testing Castle Tailings received and drill program to be scheduled. On-going test work at SGS on Beaver Tailings is producing excellent preliminary grades and recoveries.

- On-going bench test work using the Re-2Ox process is proceeding at SGS on secondary feeds consisting of spent Lithium-ion batteries, Nickel-Cadmium batteries, and

metal-hydride batteries. SGS has been retained to build the Re-2Ox pilot plant at their laboratory at Lakefield, Ontario.

“The Company has multiple, ongoing, real-time developments facilitating the ability to make a production decision ahead of the final resource calculation aided by continuous drill programs” Frank J. Basa, P.Eng., CEO of Canada Silver Cobalt Works comments. “The company is well-poised, with all the key parameters in place, when the decision will be undertaken to pour silver bullion bars and produce battery metals from either primary mine feed or from recycled spent batteries. We have demonstrated that we can find high-grade mineralized vein structures, recover it, process it and produce final end-products for market.”

The company is well aware of the process economics to develop a successful mining company and employs proven historical business models that have worked in the Cobalt Camp for decades. The company is developing three sources of primary feed concurrently; these being stamp mill tailings, Castle Silver Mine residual recovery of broken mineralize material in the stopes underground, and from unmined, mineralized veins and the greenfield discovery at the Robinson Zone. Secondary feeds would include complex flotation concentrates from other mines and from spent electric batteries.

Location

The Castle Property is 15 km east of Aris Gold Corp’s Juby gold deposit, 30 km due south of Alamos Gold’s Young–Davidson mine, 75 km southwest of Kirkland Lake Gold’s Macassa Complex, and 100 km southeast of new gold discoveries in the Timmins West area.

Qualified Person

The technical information in this news release was prepared under the supervision of Frank J Basa, P.Eng., CEO of Canada Silver Cobalt Works Inc., a qualified person in accordance with National Instrument 43-101.

About Canada Silver Cobalt Works Inc.

Canada Silver Cobalt Works released the first-ever resource in the Gowganda Camp and greater Cobalt Camp in May 2020. A total of 7.56 **million ounces** of silver in Inferred resources comprising very high-grade silver (**8,582** grams per tonne un-cut or **250.2** oz/ton) in 27,400 tonnes of material from two sections (1A and 1B) of the Robinson Zone beginning at a vertical depth of approximately 400 meters were identified. The discovery remains open in all directions (1A and 1B are approximately 800 meters from the east-trending Capitol Mine workings) (mineral resources that are not mineral reserves do not have demonstrated economic viability) (refer to Canada Silver Cobalt Works Press Release May 28, 2020. Report reference: Rachidi, M. 2020, *NI 43-101 Technical Report Mineral Resource Estimate for Castle East, Robinson Zone, Ontario, Canada*, with an effective date of May 28, 2020 and a signature date of July 13, 2020). More information available at www.canadasilvercobaltworks.com.

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 District of Northern Ontario. With underground access at Castle, a pilot plant to produce cobalt-rich gravity concentrates on site, a processing facility (TTL Laboratories) in the town of Cobalt, 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 Silver Cobalt is strategically positioned to become a Canadian leader in the

silver-cobalt space.

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

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SOURCE Canada Silver Cobalt Works Inc.

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