

eCobalt Announces Increase in Measured and Indicated Resources for its Idaho Cobalt Project

written by Raj Shah | February 7, 2018

☒ February 7, 2018 ([Source](#)) – **eCobalt Solutions Inc. (“eCobalt” or “the Company”)** (TSX: ECS, OTCQX: ECSIF) announces the results of an updated resource estimate prepared in accordance with National Instrument 43-101 for the Idaho Cobalt Project (“ICP”), located in the Idaho Cobalt Belt near Salmon, Idaho, USA (the “Updated Resource Model”).

The update is based on results from a three-hole, 5,000 ft drill program completed in 2017, as well as a review and inclusion of past drill results not included previously, and the creation of a new three-dimensional resource model using current state of practice software and geostatistical tools. Comparing the Updated Resource Model to the resource model dated September 27, 2017, highlights include:

- Total Measured and Indicated (“M&I”) resources increased to 3.87 million tons at 0.59% Co, compared to 3.44 million tons at 0.59% Co.
- Inferred resources increased to 1.82 million tons at 0.46% Co from 1.54 million tons at 0.50% Co.

These results will be incorporated into a new, optimized feasibility study planned for completion in Q2 2018. Until that study is finalized there can be no assurance that any increase in resources will result in a material change to the reserves and economics of the ICP.

“The Updated Resource Model delineates an increase in the resources available for reserve and is in line with our expectations with regards to the targeted conversion of inferred resources to M&I,” stated Floyd Varley, eCobalt’s Chief Operating Officer. “Work is ongoing to determine the economic significance of these results, which will be incorporated into a new feasibility study and mine plan. The Updated Resource Model also provides additional insight into the controls of mineralization. This information will help inform future drilling efforts to advance the Ram deposit as well as planning of mine infrastructure.”

Table 1. 2018 Updated Mineral Resource Estimate for the Idaho Cobalt Project^{(3) (4)}

Category	Resource	Co (%)	Co	Cu (%)	Cu	Au (oz/t)	Au
	(M tons)		(M lbs)		(M lbs)		(oz)
Measured⁽¹⁾	1.50	0.66	19.9	0.78	23.6	0.017	26,000
Indicated⁽¹⁾	2.37	0.54	25.8	0.89	42.2	0.018	42,000
M+I	3.87	0.59	45.7	0.85	65.8	0.017	68,000
Inferred⁽²⁾	1.82	0.46	16.7	0.81	29.4	0.015	27,000

Table 2. Resource Estimate dated September 27, 2017^{(3) (4)}

Category	Resource	Co (%)	Co	Cu (%)	Cu	Au (oz/t)	Au
	(M tons)		(M lbs)		(M lbs)		(oz)
Measured⁽¹⁾	1.73	0.54	18.6	0.76	26.3	0.014	24,300
Indicated⁽¹⁾	1.71	0.64	22.0	0.71	24.1	0.017	29,900
M+I	3.44	0.59	40.6	0.73	50.4	0.016	54,200

Inferred⁽²⁾	1.54	0.51	15.6	0.68	21.0	0.012	18,700
1.	<i>Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The Mineral Resources in this news release were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.</i>						
2.	<i>The quantity and grade of reported Inferred resources in this estimation are uncertain in nature. There has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.</i>						
3.	<i>The Cobalt cut-off grade for inclusion in the resource is 0.20%, no consideration of copper or gold content was used in determination of cut-off grade.</i>						
4.	<i>Contained metal figures and totals may differ due to rounding of figures</i>						

The Updated Resource Model takes into account a minimum mining width of 6 feet. Also included are approximately 400,000 tons grading 0.5% Co containing 4 million pounds of cobalt in the M&I category located mainly in the newly drilled deeper southern end of the Ram deposit as well as in hanging wall structures. These structures are limited by a lack of sampling in many of the Ram drill holes and warrant further definition drilling from underground.

“The work undertaken to update the resource model for the Ram deposit has provided us with an improved understanding of the deposit,” stated Paul Farquharson, President and CEO of eCobalt. “The data provides additional confidence that the deposit remains open at depth and along strike and will be used to

delineate future expansion drilling efforts. Another key milestone has been achieved for the Company as we move towards production at the ICP – the only near-term primary cobalt deposit in the United States.”

The Updated Resource Model was prepared for the Company by Micon International Ltd. under the guidance and supervision of Charley Murahwi, P.Geo., FAusIMM who is the independent Qualified Person (QP) responsible for the Mineral Resource for the ICP. eCobalt employed the same approach and methodology as was used for the September 2017 Mineral Resource estimate. For details see *Idaho Cobalt Project Mineral Resources Update Technical Report effective date 27, September 2017*.

E.R. (Rick) Honsinger, P.Geo., Senior V.P. with eCobalt, is the Qualified Person who has reviewed and approved the contents of this news release.

About eCobalt Solutions Inc.

eCobalt is a well-established Toronto Stock Exchange listed company committed to providing clean cobalt products essential for the rapidly growing rechargeable battery and renewable energy sectors, made safely, responsibly, and transparently in the United States. The Company’s ICP, located in East Central Idaho, is the only environmentally permitted, primary cobalt project in the United States. It is 100% owned by the Company’s wholly owned subsidiary, Formation Capital Corporation, U.S.

For more information visit www.eCobalt.com.

Cautionary Statement on Forward Looking Statements

This news release contains “forward-looking statements” within the meaning of applicable Canadian securities legislation. Statements in this news release pertaining to expected financings, filings, uses of proceeds or project completion

dates are forward-looking statements. These forward-looking statements are based on assumptions and address future events and conditions and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future results, performance or achievement. These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of cobalt; variations of mineral grade or recovery rates; operating or technical difficulties in connection with exploration, development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in completion of exploration, development or construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits or obtain required licenses and permits in a timely manner; the ability to obtain financing on acceptable terms in a timely manner; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business.

Such projections are and will inevitably always be dependent on assumptions about future mineral prices and development costs which will be subject to fluctuation due to global and local economic and industry conditions. Further information regarding risks and uncertainties which may cause results to differ from those contained in forward-looking statements is included in

filings by the Company with securities regulatory authorities and is available at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Although the Company has disclosed that the ICP remains the sole, near term, environmentally permitted, primary cobalt deposit in the United States and offers a unique potential for North American consumers to secure an ethically sourced, environmentally sound supply of clean cobalt products, there is no guarantee that the Company will attain commercial production of such cobalt products for use in the rechargeable battery sector. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

The statements contained in this news release in regard to eCobalt that are not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including eCobalt's beliefs, expectations, hopes or intentions regarding the future. All forward-looking statements are made as of the date hereof and are based on information available to eCobalt as of such date. It is important to note that actual outcome and the actual results could differ from those in such forward-looking statements. Factors that could cause actual results to differ materially include risks and uncertainties such as technological, legislative, corporate, commodity price and marketplace changes.