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CANADA COBALT ASSAYS 2.47% COBALT FROM SELECTED BULK SAMPLE UNDERGROUND AT CASTLE MINE, ADVANCES PLANS FOR 600-TPD MILL

February 27, 2018 – Canada Cobalt Works Inc. (TSX.V: CCW; OTC: TAKRF; FRANKFURT: 4T9B) (the “Company” or “Canada Cobalt”) is pleased to provide the following update as it accelerates key corporate strategies as a vertically integrated and leading domestic pure play cobalt company focused exclusively on the prolific Northern Ontario Cobalt Camp.

Highlights:

- Canada Cobalt has retained a major global engineering firm specializing in the energy and industrial markets to complete necessary earthworks studies and advance the permitting process for the planned installation of a state-of-the-art 600-tonne-per-day gravity flotation cyanidation mill at the Castle site;
- Canada Cobalt will also be submitting plans to the Ontario Ministry of Northern Development & Mines for unlimited dewatering of levels two through 11 of the Castle mine;
- A mini-bulk sample from the first level of the Castle mine has returned **2.47% cobalt** - underground sampling program continues and more results are pending as Canada Cobalt also prepares for further rehabilitation of old workings and initial underground drilling on the expansive first level.

Canada Cobalt has three unique advantages in a district increasingly recognized for its cobalt potential:

- 1. Underground access** at the 100%-owned Castle mine, the region’s most recent significant silver producer (early 1990’s) with cobalt mineralization bypassed in favor of very high-grade silver on 11 levels covering a total footprint of 727 meters east-west, 455 meters north-south and 258 meters to depth;
- 2. Proprietary Re-2OX process** custom designed for the complex metallurgy of the Northern Ontario Cobalt Camp - allows for a battery sector client-specific cobalt formulation;
- 3. Planned new infrastructure** highlighted by a 600-tpd mill at the Castle site that would be financed by Granada Gold (TSX.V: GGM) through a debt instrument (against the bar) - Canada Cobalt has a milling agreement with Granada Gold (see Sept. 8, 2017 news release) and will be the operator of the proposed processing facility with the potential to provide custom milling services to companies throughout the Northern Ontario Cobalt Camp.

Frank Basa, President and CEO of Canada Cobalt, commented: “With a strong treasury, only 60 million shares outstanding and a team that has decades of combined experience in the Northern Ontario Cobalt Camp, Canada Cobalt is ideally positioned to seize current and future opportunities in this exciting sector with Cobalt prices at 10-year highs.”

Canada Cobalt Retains Amec Foster Wheeler (Wood)

Amec Foster Wheeler Environment & Infrastructure (Wood) will complete near-term geotechnical and hydrogeological field investigation studies at both the Castle and Granada properties as part of the permitting process for the planned 600-tonne-per-day gravity flotation cyanidation mill at the Canada Cobalt Castle mine site near Gowganda.

Gold mineralization from the Granada deposit near Rouyn-Noranda would be transported to the Castle mine for processing. The mill is being designed to accommodate both the gold mineralization from Granada as well as potential cobalt-silver material from the immediate Castle mine and other properties in the surrounding Northern Ontario Cobalt Camp.

Underground Sampling Returns High-Grade Cobalt

High-grade cobalt values have been returned from a continuing mini-bulk sample at the Castle mine. The first sample, weighing 13.0 kg, assayed 2.47% cobalt, 23.4 g/t silver, 0.68% nickel and 1.83 g/t gold. The second sample, weighing 14.0 kg, assayed 0.91% cobalt, 460 g/t silver and anomalous nickel and gold.

Canada Cobalt cautions that samples are selective and not necessarily representative of mineralization underground at the Castle mine.

More samples are being assayed by SGS Laboratories in Lakefield, Ontario, and results will be released as soon as they are received, verified and interpreted.

Quality Assurance/Quality Control

Samples from the Castle mine were taken from veins exposed in the backs (ceilings) of undeveloped drifts using scaling bars, hammer and chisel over variable lengths up to two meters. Tarps caught all broken pieces which were then collected in a five gallon pail per sample site. Sample pails were subsequently transported by truck to Swastika Laboratories, an accredited lab in Swastika, Ontario, for assay. Aqua regia digestion and atomic absorption finish were used for cobalt, nickel and silver analysis. Gold values were determined by fire assay with atomic absorption finish. The remainder of the sampled material was submitted to SGS Laboratories in Lakefield, Ontario, to use the Re-2OX process to develop samples for evaluation for the Asian battery market.

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 exclusively on the Northern Ontario Cobalt Camp, Canada's most prolific cobalt district. With three 100%-owned past producing mines, a proprietary hydrometallurgical process known as Re-2OX, and plans for a 600-tonne-per-day mill at its flagship Castle Property near Gowganda, Canada Cobalt is well 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

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