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CANADA COBALT'S RE-2OX PRODUCES 22.6% COBALT SULPHATE

August 15, 2018 - Canada Cobalt Works Inc. (TSXV: CCW) (OTC: CCWOF) (Frankfurt: 4T9B) (the "Company" or "Canada Cobalt") is pleased to announce that through its proprietary Re-2OX process at SGS Lakefield, the Company has produced the first-ever premium grade cobalt sulphate from its 100%-owned Castle mine while it also moves immediately toward the creation of nickel-manganese-cobalt battery grade formulations.

Pilot plant production of cobalt-nickel-rich gravity concentrates at the Castle mine, now underway, will allow for a scaling up of the Re-2OX process this quarter.

Highlights:

- Canada Cobalt's vertically integrated, environmentally green Re-2OX process at SGS has produced a technical grade cobalt sulphate hexahydrate at 22.6%, directly from cobalt-rich gravity concentrates produced from the first level of the Castle mine in the prolific Northern Ontario Cobalt Camp (bypassing the smelting process);
- The 22.6% grade exceeds the technical specifications of cathode producers in Asia who are in discussions with the company's marketing representative in that region to evaluate Canada Cobalt sample product for potential battery sector use (Re-2OX will meet client specific purities);
- The very adaptable Re-2OX process will now create a Canada Cobalt suite of nickel-manganese-cobalt (NMC) battery grade formulations using an additive approach where necessary.

Frank Basa, President and CEO, commented: "Through the expertise of Dr. Ron Molnar and the team at SGS in Peterborough, Canada Cobalt has broken new ground as a technology leader in Canada's most prolific Cobalt district. We've now demonstrated that from concentrate produced from the Castle mine, we can create a premium grade end product (cobalt sulphate) without a smelting process. This is a testament to the efficiency and effectiveness of Re-2OX, a process that's very amenable to scaling up.

"We look forward to marketing the Canada Cobalt Re-2OX brand to the battery sector while we ramp up activity at the Castle mine both underground and at surface. Underground work including diamond drilling is proceeding extremely well, with another update shortly, while the pilot plant and a surface drill program to test for potential new discoveries east of the mine add important new dimensions to this exciting project," Basa concluded.

Cobalt, nickel and manganese recoveries from the concentrate using Re-2OX were 99%, 81% and 84%, respectively, while 99% of the arsenic was removed (refer to May 31, 2018, news release).

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.

Quality Assurance/Quality Control

An 82-kilogram sample of vein material that was taken from the first level of the Castle mine was crushed to negative 10 mesh and blended by SGS Laboratories in Lakefield, Ont., from which a representative sample was submitted for analysis by lead fusion fire assay for silver and gold. Other metals were assayed by ICP after multi-acid digestion. The material was subsequently used for testing the proprietary Re-2OX process. Canada Cobalt relies on internal SGS laboratory independent QA/QC, which allows the disclosure of the results provided.

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 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

For further information, contact:

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