

Quantum Cobalt closes Nipissing Lorrain project buy

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Mr. Greg Burns reports

QUANTUM COBALT ANNOUNCES CLOSING OF ACQUISITION OF NIPISSING LORRAIN MINE PROJECT NEAR COBALT, ONTARIO

Further to the news release of Nov. 8, 2017, Quantum Cobalt Corp. has closed its previously announced acquisition of 1142674 B.C. Ltd. (the target) pursuant to a share exchange agreement, dated Nov. 29, 2017, among Quantum, the target and the shareholders of the target. The Nipissing Lorrain cobalt project is located 26 kilometres southeast of Cobalt, Ont. The property consists of two separate claims and is adjacent to First Cobalt's Silver Centre claims. Six separate underground workings have been historically mined for cobalt, silver and nickel.

Pursuant to the share exchange agreement, Quantum will pay an aggregate amount of \$1-million over a six-month period from date of close of the share exchange agreement, with an initial cash payment of \$500,000 due on closing and \$250,000 subsequently every three months. A total of five million common shares in the capital of the company will also be issued on closing to the shareholders of the target in exchange for one Class A common share in the capital of the target.

Greg Burns, chief executive officer, commented: "We are pleased to have added the Nipissing Lorrain cobalt project to our portfolio. Exploration plans on the property will be conducted with a heightened level of confidence and commitment recognizing it was a past producer."

About the Nipissing Lorrain cobalt project

Location

The Nipissing Lorrain mine cobalt property is located 26 kilometres southeast of the town of Cobalt near the eastern border of Ontario. Cobalt is the epicentre of past cobalt mining in Ontario. The district is mining friendly, with a rich history of cobalt and silver production.

Property status and configuration

The property consists of 29 claim units for approximately 464 hectares.

Access and infrastructure

The property is accessible by road, 26 kilometres from Cobalt. Leaving from north of Cobalt, follow Highway 567 to First Cobalt's Silver Centre. After 26.85 km, turn left on Maiden Road and continue for a further 4.35 km. The road passes through the property with the Staples vein visible on the left-hand side of the road. Power and infrastructure are very accessible within the area from past production facilities.

Mineralization

Cobalt, silver and nickel mineralization occurs on multiple fracture zones and veins within the property. Mineralization is associated with calcite veins within close proximity to diabase sills. Mineralization occurs as copper-iron-nickel arsenides, argentite, niccolite and native silver. Silver grades up to 261 grams per tonne, and cobalt grades up to 14.75 per cent have been reported from the property. This information is from Mineral Deposit Inventory for Ontario (MDI31M03NW00011 and MDI31M-03NW00024).

History

Sporadic mining and exploration have continued on the property since 1925. The first shafts were sunk into the Staples vein in 1925 by Nipissing Mining Co. Ltd. Underground mining continued until 1940 with numerous shafts and up to five different mining levels developed. Total production is reported as 2,507 kilograms Co, 1,597 kg Ni and 10,886 kg silver from 122 tonnes. From 1961 until 1967, further exploration, sampling and geophysics programs were completed. Since then, bulk sampling has been completed on the Staples vein waste pile in 1982 and 1994. Grades from bulk sampling ranged from 0.05 ounce per ton to 1.25 oz per ton Ag (for a 20-pound sample). This information is from Mineral Deposit Inventory for Ontario (MDI31M03NW00011).

Qualified person

Mike Waldegger, PGeo, is the qualified person as defined in National Instrument 43-101, who has reviewed and approved the contents of this press release.

We seek Safe Harbor.

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