

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jan 17, 2017) - [Scientific Metals Corp.](#) ("STM" or the "Company") (TSX VENTURE:STM)(FRANKFURT:26X)(OTCQB:SCTFF) is pleased to provide the following updates on the Company's Cobalt and Lithium properties.

Recent progress at the Iron Creek Cobalt Property:

Planning for the Phase One exploration program is nearly complete. Phase One is planned to consist of rehabilitation of the three adits on the patented claims to provide access to the 1,500 feet of underground workings for mapping and sampling. Phase One planning also includes an initial surface drilling campaign to be carried out on the patented claims. Both the underground sampling and the surface drilling will focus on the No Name Zone mineralized zones.

The Company has met with U.S. Forest Service personnel and has obtained all necessary regulatory and governmental approvals to conduct the Phase One exploration program. The Company is also in the final stages of planning with an underground mining contractor to conduct the rehabilitation of the underground workings, and expects a contract to be signed soon. Work will commence in conjunction with the closing of the previously announced \$2 million financing.

The Company has completed a report under the guidelines of NI43-101 regarding the Iron Creek Cobalt Property. The report can be viewed online on the Company's website, or by clicking [here](#).

The Iron Creek Cobalt Property:

The property is located in the most prolific trend of cobalt mineralization in the USA, the Idaho Cobalt Belt. The Property is located about 25 miles southwest from Salmon, Idaho and encompasses 137 acres in seven patented lode mining claims. The Company has acquired 58 additional unpatented lode mining claims to enlarge the Property to cover 1,297 acres.

A Substantial amount of historic exploratory work has been completed on the Property, including approximately 30,000 feet of diamond drilling, and the mining of 1,500 feet of underground workings.

The earliest historic estimates of the mineralized zones at the Property are contained in the historical literature describing two underground targets in the No Name Zone, as previously announced:

- The first lense is described by Noranda Exploration, Inc. as a "possible reserve" and is reported to contain 1,050,000 tons grading 0.61% cobalt over a strike length of 750 feet.
- The second lense is described as a "possible reserve" and is reported to contain 229,000 tons grading 0.48% cobalt over a strike length of 600 feet.
- Together, the lenses contain 1,279,000 tons grading an average of 0.59% cobalt with excellent potential for expansion.

Copper grades were not calculated by Noranda and are stated to be "generally less than or equivalent to cobalt grades". (reference: "Iron Creek Prospect, Lemhi County, Idaho (#0483) Progress Report" by Terry A Webster and Thomas K Stump for Noranda Exploration, Inc., July 1980 (the "Noranda Report")).

Exploration by several companies since the 1940s, including Hanna Mining, Noranda Exploration, Inc. and Cominco, has identified a number of significant cobalt, a key component in Lithium-ion batteries, and copper targets on the Property. The Property shares similar geology and structure with other deposits in the 40 mile long Idaho Cobalt Belt, including the Blackbird Mine and the proposed Idaho Cobalt Mine (eCobalt).

The Noranda Report notes the following outstanding cobalt intercepts within the mineralized lenses. Drill hole IC-16 contains a 15 foot wide horizon averaging 1.01 percent cobalt, and within the Little No Name adit a 20 foot wide channel sample contains an average of 0.95 percent cobalt. The Noranda Report also notes that "these data do not affect the presence of an additional 4.5 to 4.8 million tons of copper reserves grading in excess of 1.5 percent copper".

STM's President, Brian Kirwin, stated, "We are very excited to be gearing up for Phase One exploration at Iron Creek. Few primary cobalt deposits exist in the world, and consumers such as rechargeable battery manufacturers have limited opportunities to source cobalt if they wish to avoid sources with problematic human rights records. Phase One will target the No Name Zone with both surface drilling and underground sampling. The Iron Creek Cobalt Property is an excellent opportunity with significant cobalt mineralization and substantial upside potential already identified. We look forward to bringing this property forward towards production."

The historical tonnage and grade estimates for the Property quoted above do not follow the required disclosure for reserves and

resources within the CIM Definition Standards on Mineral Resources and Mineral Reserves as outlined in National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("NI 43-101"). They were prepared in the 1980s prior to the adoption and implementation of NI 43-101 and are historic estimates. The historic resource figures generated by Noranda have not been redefined to conform to the CIM Definition Standards as provided for in NI 43-101. The Noranda Report does not detail cut-off grades and metal prices used to estimate the historical mineralisation and used a tonnage factor of 11 cubic feet per ton. Such source data is noted to be non-compliant. In addition, the potential quantity and grade is conceptual in nature, and there has been insufficient exploration (drill hole spacing is "over 200 feet") to define a NI 43-101 compliant resource estimate and it is uncertain if further exploration will result in the deposits being delineated as a NI 43-101 compliant resource. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property and the historical estimates should not necessarily be relied on. A qualified person has not done sufficient work to classify the historical estimates as current mineral resources and the Company is not treating the historical estimates as current mineral resources. More work, including, but not limited to, drilling, will be required to conform the estimates to compliant categories in accordance with CIM Definition Standards as provided for in NI 43-101.

While not compliant with NI 43-101 disclosure requirements, management of the Company believes that the historical estimates are reliable in the sense that the authors were experts, using industry standard procedures at the time. The historical estimates are relevant to the Company's planned exploration program because they identify significant mineralization that will be the target of this exploration program.

Recent progress at the Lithium Properties:

The Company is gathering technical information on a significant lithium bearing playa (salar) in Argentina, where it has negotiated exclusive rights to evaluate and acquire the project. This exciting project lies within the famed Lithium Triangle in the Andes Mountains. Data review is expected to commence very soon, and subsequently the Company is planning to visit the project in the coming weeks as part of the due diligence process. More information will be available after the data review and site visit.

The Paradox Property in Utah consists of 111 claims covering approximately 2,220 acres, and six wells are located within the property boundary, and about 20 are located within a couple of miles of the property. The greater Paradox Valley is a significant oil producing region. Existing and old wells have shown very large brine flow rates under artesian conditions - up to 50,000 barrels per day - with most of the brines being saturated. The Paradox Property overlies known brines with very high lithium grades - over 500 ppm in historical company reports, as previously announced. Well data compilation has begun and research continues into the ownership of these wells. The region has been subject to a major staking rush in the past six months.

The Deep Valley Project, covering 6,648 ha (16,427 acres), near Fox Creek in Alberta has the among highest known lithium grades in brine known in Alberta, as previously announced. The 140 ppm lithium contained in these brines is similar to the current grades being processed at the Silver Peak Lithium Mine in Clayton Valley, Nevada. Well data compilation continues, along with research into the ownership of these wells. The objective of these programs is to negotiate rights to sample the well brines.

Mr. Garry Clark, P. Geo., of Clark Exploration Consulting, is the "qualified person" as defined in NI 43-101, who has reviewed and approved the technical content in this press release.

Reader Advisory

This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to the completion of Phase One exploration program at the Iron Creek property. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Canada and globally; industry conditions, including governmental regulation and environmental regulation; failure to obtain industry partner and other third party consents and approvals, if and when required; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; liabilities inherent in water disposal facility operations; competition for, among other things, skilled personnel and supplies; incorrect assessments of the value of acquisitions; geological, technical, processing and transportation problems; changes in tax laws and incentive programs; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We

undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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