

Brixton Metals Announces Intention to Spin-out its Cobalt Assets

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VANCOUVER, British Columbia, June 20, 2018 (GLOBE NEWSWIRE) -- [Brixton Metals Corp.](#) (TSXV:BBB) (the "Company" or "Brixton") is pleased to announce the intention to spin-out its Cobalt assets located in the Cobalt Camp, Ontario into a standalone public company.

Chairman and CEO of Brixton, Gary R. Thompson stated, "Given the recent activity in the Cobalt market with higher prices and strong demand from the electrical vehicle market, we think that Brixton and its shareholders would benefit from a spin-out of its wholly owned cobalt-silver asset. Brixton will tighten its focus on its high quality precious metals projects, and we are confident that these projects will generate shareholder value. If the spin-out transaction is completed, the newly formed company would focus on all of the battery metals and would look to gain market share in that sector by advancing its cobalt assets and adding new advanced stage projects in the battery metals space, including vanadium, which has seen a similar growth rate as cobalt. Either way you shape it the battery metals market in general has a strong growth profile."

The Company believes that its Cobalt assets will develop into an independent and viable company on its own with a unique business model from Brixton. In that case, the Company is considering reorganizing its business by way of spin-out of its 100% owned Hudson Bay and Langis mine projects, both located in the Cobalt Camp, Ontario, to its shareholders through a plan of arrangement. Brixton intends to maintain exposure to the cobalt assets through a retained equity interest in the spin-out company. The completion of such plan arrangement and any listing of the resulting entity will be subject to regulatory approval, the approval of shareholders of the Company and the Supreme Court of British Columbia. The spin-out ratio to Brixton shareholders, retained equity level and timing of the record date shall be provided in due course. It is not anticipated that the arrangement would trigger a taxable event for the Company's shareholders.

Some recent transactions in the sector include First Cobalt's acquisition of US Cobalt in an all stock deal valued at C\$150 million. U.S. Cobalt owns the Iron Creek cobalt project, located in the Idaho cobalt belt which hosts a 1.3-million-ton historical resource estimate (non-compliant with National Instrument 43-101) grading 0.59 per cent cobalt. Vale SA announced it will sell most of the Voisey's Bay mine future cobalt production for US\$690 million to finance a long-delayed \$1.7-billion expansion. Under the terms of the deal, [Wheaton Precious Metals Corp.](#), will pay US\$390 million in cash for 42.2 per cent of the mine's cobalt or about 2.6 million pounds per year and [Cobalt 27 Capital Corp.](#) will pay US\$300 million for 32.6 per cent or 1.9 million pounds per year in exchange for an amount of combined cobalt equal to 75 percent of the production from Voisey's Bay.

The Bank of Montreal analysts forecast that electric vehicles would account for 10 percent of global auto sales by 2025 while UBS analysts suggested 16 per cent. More than sixty percent of the world's cobalt comes from the Democratic Republic of Congo (DRC), which has a history of war and child labour. The DRC recently increased the taxes and royalties from mines output in the country. Panasonic, which is Tesla's exclusive battery cell provider, expects its cobalt consumption will more than triple in the next five years exceeding its earlier projections.

About the Langis and Hudson Bay Cobalt Projects

Brixton's wholly owned Langis and Hudson Bay past producing mines are located 500km north from Toronto, Ontario, Canada. The projects are brownfields exploration staged without defined resources. The high-grade cobalt-silver mineralization occurs as steeply-moderately and in some cases shallow dipping veins within any of the three main rock types: Archean volcanics, Coleman Member sediments and Nipissing diabase. In addition, broad low-grade Co-Ni-Ag mineralization occurs as disseminations within the Archean volcanics. The Langis mine produced 10.4Moz of silver and 358,340 pounds of cobalt and the Hudson Bay mine produced 6.4 Moz of silver and 185,570 pounds of cobalt. Historically, the Cobalt Camp produced 50M

pounds of cobalt as a by-product of 500M ounces of silver production.

Table of Highlights from drill holes previously released to date at the Hudson Bay Mine

Hole ID	From (m)	To (m)	Interval (m)	Silver g/t	Cobalt %	Copper %	Zinc %
HB-18-06	36.00	42.70	6.70	625.80	-	0.26	0.45
HB-18-23	9.00	32.00	23.00	55.55	-	1.16	1.04
HB-18-23	79.00	96.82	17.82	15.57	0.04	0.54	-
HB-18-23	133.00	135.00	2.00	63.00	1.38	0.16	0.16
HB-18-21B	132.00	137.00	5.00	23.90	0.42	0.45	-

Table of Highlights from drill holes previously released to date at the Langis Mine

Hole ID	From (m)	To (m)	Interval (m)	Silver g/t	Cobalt %	Nickel %
LM-18-16	158.73	166.60	7.87	2,787.26	0.27	0.06
LM-18-20	116.00	141.00	25.00	22.29	0.04	0.08
LM-18-20	124.67	195.32	70.65	7.07	0.01	0.10
LM-18-22	139.00	149.00	10.00	2.24	0.10	0.02
LM-18-23	157.52	158.50	0.98	3.80	3.55	0.10

Mr. Sorin Posescu, P.Geo, is a Qualified Person as defined under National Instrument 43-101 standards and has reviewed and approved this news release.

About Brixton Metals Corporation

Brixton is a Canadian exploration and development company focused on the advancement of its gold and silver projects toward feasibility. Brixton wholly owns four highly prospective exploration projects, the Thorn gold-silver and the Atlin gold projects located in NWBC, the Langis-Hudson Bay cobalt-silver projects in Ontario and the Hog Heaven silver-gold-copper project in NW Montana, USA. The Company is actively seeking JV partners to advance one or more of its projects. [Brixton Metals Corp.](#) shares trade on the TSX-V under the ticker symbol BBB. For more information about Brixton please visit our website at www.brixtonmetals.com.

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