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NEWS RELEASE

TSX.V: CPO, Pink Sheets: CBBWF

May 23, 2017

COBALT POWER GROUP ANNOUNCES COMMENCEMENT OF DRILLING

May 23, 2017, Vancouver, British Columbia – Cobalt Power Group Inc. (the “Company”) (TSX.V: CPO, OTC Pink: CBBWF) is pleased to announce that the Phase 1 drilling program on its Smith Cobalt property is underway. With access roads and drill pad construction ongoing, and the rig and associated equipment delivered, the contractor, G4 Drilling, has begun the campaign.

The objectives of the approximately 1800-metre (5900 ft.) drill program are to:

- Expand the Company’s knowledge of the geological setting of known veins that extend from the nearby Deer Horn Mine onto the Smith Cobalt property.
- Extend the strike length of those veins from the historic Smith Cobalt underground workings toward the southeast.
- Confirm the values received from muck pile sampling (see news release dated January 9, 2017).
- Make initial determinations of grade and thickness of the cobalt- and silver-bearing veins.

“We are very happy see that our diamond drilling program is moving ahead on schedule as promised,” comments Dr. Andreas Rompel, President and CEO. “As the first company to launch its drill program this year for the cobalt and silver-bearing veins after a long winter, we are looking forward to seeing the first drill core in our core shack.”

Also, Cobalt Power announces receipt of the final report on the OreVision Time Domain Resistivity/Induced Polarization survey, carried out earlier this year by Abitibi Geophysics. These results have been used by the Company to fine tune drill targets.

About the Smith Cobalt Project

The Smith Cobalt project is underlain by a sequence of Archaean volcanics which are unconformably overlain by Huronian sediments. These formations have been intruded by the Proterozoic-age Nipissing

diabase sill. Faulting, on both a regional and local scale, has been found by surface mapping and in drill cores. Polymetallic veining, and especially pinkish-white carbonate veins, has also been reported. Thus, all the necessary geological components of accepted mineralization models for cobalt-silver have been identified on the properties.

About Cobalt Power Group Inc.

Cobalt Power Group Inc. is a publicly traded Canadian exploration company listed on the TSX-Venture Exchange and U.S. Pink Sheets (TSX.V: CPO, OTC Pink: CBBWF) focused on cobalt exploration and development.

The Company has made a series of strategic property acquisitions over the past year, seeking cobalt mineralization near Cobalt, Ontario - a region with a long history of silver and associated cobalt production. Property holdings total 863.6 hectares (2134 acres) in contiguous and strategic claim blocks. There are several historic mining operations on the properties that are potentially accessible, including the Smith Cobalt shaft and its underground workings.

Chris M. Healey, P. Geo, VP Exploration and Director of Cobalt Power Group is the qualified person responsible for the technical content of this release, and consents to its dissemination.

On behalf of the Board of Directors

"Andreas Rompel"

Dr. Andreas Rompel, President and CEO
Cobalt Power Group Inc.

www.cobaltpowergroup.com

We seek safe harbor.

For additional information, please contact Daniel Caamano, VP Corporate Communications or Judy A. McCall, Corporate Secretary at: 604.620.7737. The company's profile may also be viewed on www.sedar.com.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Forward Looking Information

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release. WARNING: The Company relies on litigation protection for "forward looking" statements. Actual results could differ materially from those described in the news release as a result of numerous factors, some of which are outside the control of the Company. This news release does not constitute an offer to sell

or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.