

CobaltOne Limited

ACN: 127 411 796

CAPITAL RAISING AND COMPANY UPDATE

- **A\$2 MILLION COMMITMENTS RECEIVED THROUGH AN OVERSUBSCRIBED PLACEMENT TO ASSIST WITH PAYMENTS IN CONNECTION WITH THE ACQUISITION OF THE COBALT MINING CAMP REFINERY**
- **COBALT ONE EXPECTS TO SUCCESSFULLY COMPLETE IN THE NEXT 48 HOURS THE PREVIOUSLY ANNOUNCED ASSET PURCHASE AGREEMENT WITH 36569 YUKON FOR THE REFINERY ASSETS LOCATED IN COBALT, ONTARIO, CANADA (“COBALT MINING CAMP REFINERY”)**
- **THE COMPANY HAS ENTERED INTO A MANAGEMENT SERVICES AGREEMENT WITH NON – EXECUTIVE CHAIRMAN MR PAUL MATYSEK**

Capital Raising

Cobalt One Limited (ASX: CO1) (the “Company” or “Cobalt One”) is pleased to announce that it has received commitments to raise up to A\$2 million (before costs) via a placement to existing and new institutional and sophisticated investors (“**Placement**”).

The Placement comprises the issue of up to 20,000,000 Shares at an offer price of A\$0.10 per Share (“**Offer Price**”).

Funds raised via the Placement will be used in connection with the consideration payment at Completion of the Asset Purchase Agreement (refer to ASX announcement of Cobalt One dated 26 April 2017 for further details). Following settlement of the Placement the Company will be well funded to progress its strategy of building a diversified global portfolio of assets that are highly leveraged to the cobalt market.

The issue of the Shares pursuant to the Placement was approved by shareholders at the general meeting of the Company held on 9 May 2017. As such, the Placement will not utilise any of the Company’s existing ASX Listing Rule 7.1 or 7.1A capacity.

Funds under the Placement are expected to be received by the Company and Shares under the Placement are proposed to be issued by the Company on or about 20 June 2017.

Cobalt Mining Camp Transaction

The Company also expects to successfully complete the asset purchase agreement with 36569 Yukon Inc (“**Yukon**”) (“**Asset Purchase Agreement**”) within 48 hours (refer to the ASX Announcements of Cobalt One dated 26 April 2017). Yukon and the Company are working together to finalise the remaining completion deliverables.

Non-Executive Director Agreement

Mr Paul Matysek was appointed non-executive chairman of the Company on 15 February 2017 (refer to ASX announcement of Cobalt One dated 14 February 2017 for further details). The Company has now entered into a management services agreement ("**Matysek Agreement**") with Bedrock Capital Corporation ("**Bedrock**"), a company controlled by Mr Matysek, pursuant to which Bedrock will provide guidance and advice to the Company in relation to its operations, strategy, corporate development and communication with shareholders and capital markets. ("**Services**"). The Services under the Matysek Agreement will be performed by Mr Matysek. Under the Matysek Agreement the Company will pay Bedrock CDN\$12,000 per month. A signing bonus of CDN \$42,000 plus GST in recognition of the volume of work expected to be undertaken by Bedrock and Mr Matysek, including the ongoing work progressing the Asset Purchase Agreement and Refinery Assets. The Matysek Agreement may be terminated by Bedrock at its election with 60 days prior written notice or either party within 60 days following a material diminution in Mr Matysek's status (in which case a termination fee of 24 months of Base Fees will be payable to Bedrock, subject to shareholder approval if required).

END

For more information, please contact:

Corporate

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