

CobaltOne

Limited

ACN: 127 411 796

30 October 2017

SCHEME UPDATE AND SATISFICATION OF CONDITION PRECEDENT

Satisfaction of condition precedent

Cobalt One Limited (ASX: CO1) (**Cobalt One**) refers to the announcement of 14 July 2017 regarding entering into a Scheme Implementation Deed (**SID**) with First Cobalt Corp. (TSX-V: FCC, OTC: FTSSF) (**First Cobalt**) under which it is proposed that First Cobalt will acquire all of Cobalt One's shares by way of a scheme of arrangement (**Scheme**) for 0.145 new First Cobalt shares or new First Cobalt CHESS Depository Interests (**CDIs**) for each Cobalt One share held on the Scheme Record Date.

The Scheme is subject to the satisfaction or waiver of a number of conditions (**Conditions Precedent**), which are detailed in section 3.1 of the SID.

Cobalt One is pleased to announce that on 26 October 2017 (Vancouver time) the shareholders of First Cobalt approved changes to First Cobalt's constituent documents as required by the Australian Securities Exchange (**ASX**) for admission of First Cobalt to the official list of ASX. This satisfies the Condition Precedent in clause 3.1(c) of the SID.

The adopted First Cobalt constituent documents are Attachment L to the Scheme Booklet, which was released to ASX on 13 October 2017 (**Scheme Booklet**).

The implementation of the Scheme remains subject to the remaining Conditions Precedent, which include Cobalt One shareholder approval of the Scheme and court approval of the Scheme.

Cobalt One and First Cobalt continue to work collaboratively towards satisfying the remaining Conditions Precedent to the Scheme as set out in the SID. As far as Cobalt One is aware, as at the date of this announcement, there are no circumstances that have occurred which will cause any of the Conditions Precedent not to be satisfied or to become incapable of satisfaction. Cobalt One will continue to keep shareholders informed of the status of the satisfaction of the Condition Precedents and the Scheme generally.

Update on Scheme

The key events and the expected timing in relation to the approval and implementation of the Scheme are set out in the table below.

Scheme Meeting	17 November 2017
Second Court Hearing	27 November 2017
Effective Date	28 November 2017
Scheme Record Date	1 December 2017
Implementation Date	8 December 2017

All dates are indicative only and are subject to the Court approval process, ASX approval and the satisfaction or, where applicable, waiver of conditions under the SID. Any changes to the above timetable will be announced to ASX and notified on Cobalt One's website at www.cobaltoneunlimited.com.

ASX waiver of Listing Rule 6.23.2 granted

At the time of dispatch of the Scheme Booklet to Cobalt One shareholders, Cobalt One was seeking a waiver of ASX Listing Rule 6.23.2 (**Waiver**), as noted in section 11.26 of the Scheme Booklet. Cobalt One advises that this Waiver has now been granted by ASX.

The Waiver allows the Company to cancel for the consideration set out in Attachment D of the SID the following Cobalt One options, to the extent they are not exercised before the Scheme Record Date (currently expected to be 7:00pm WST on 1 December 2017):

- up to 8,500,000 Class A options exercisable at \$0.02 expiring on or before 5 April 2020;
- up to 8,000,000 Class D options exercisable at \$0.03 expiring on or before 30 November 2019;
- up to 15,000,000 Class E options exercisable at \$0.03 expiring on or before 10 February 2020;
- up to 25,000,000 Performance A options exercisable at \$0.03 expiring on or before 9 February 2020;
- up to 25,000,000 Performance B options exercisable at \$0.06 expiring on or before 9 February 2020; and
- up to 15,000,000 director performance options exercisable at \$0.001 expiring on or before 15 June 2020.

The Waiver is conditional on the Company announcing the grant of the Waiver, the Company providing ASX with confirmation that the Scheme has been approved by Cobalt One shareholders by the requisite majorities (currently expected to occur on 17 November 2017) and Court approval of the Scheme (currently expected to be 27 November 2017).

Further information regarding the treatment of Cobalt One options under the Scheme is set out at pages 161 to 162 of the Scheme Booklet.

Timing for the completion of the Scheme remains unchanged.

For and on behalf of the Board

Michael Naylor

Company Secretary