

CobaltOne Limited

ACN: 127 411 796

16 November 2017

WAIVER AND SATISFACTION OF CERTAIN CONDITIONS PRECEDENT AND CORRECTION OF ASX LISTING RULE WAIVERS IN SCHEME BOOKLET

Cobalt One Limited (ASX: CO1) (**Cobalt One**) refers to the announcement of 14 July 2017 regarding entering into a Scheme Implementation Deed 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 CHES 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**), as detailed in clause 3.1 of the Scheme Implementation Deed, as varied from time to time (**SID**).

Satisfaction of conditions precedent

Cobalt One is pleased to announce that a sufficient number of Cobalt One option holders have entered into deeds in accordance with clause 4.5 of the SID, so that provided the Scheme is implemented, First Cobalt would be permitted to compulsorily acquire the remaining Cobalt One options. This satisfies the condition precedent in clause 3.1(k) of the SID.

Cobalt One is also pleased to announce that the TSX Venture Exchange (**Exchange**) has conditionally accepted the Scheme. In a letter provided by the Exchange to First Cobalt, the Exchange acknowledges as part of the Scheme that under the Scheme certain Cobalt One shareholders will be entitled to receive 0.145 shares in First Cobalt. The acceptance of the Scheme is conditional on First Cobalt satisfying the filing requirements as outlined in Policy 5.3, Section 5.7, of the TSX Venture Exchange Corporate Finance Manual. First Cobalt has advised that this conditional approval satisfies the condition precedent in clause 3.1(i) of the SID.

Waiver of condition precedent

One of these Conditions Precedent, in clause 3.1(l) of the SID, is that each holder of Cobalt One restricted securities enters into a deed whereby the holder agrees not to deal with new First Cobalt shares or CDIs they receive as consideration for the restricted securities under the Scheme for the period which the Cobalt One securities would otherwise be restricted, without the prior written consent of First Cobalt (**Restriction Agreement**).

Restriction Agreements have been entered into by approximately 66% of holders of Cobalt One restricted securities in respect of approximately 88% of Cobalt One restricted securities.

Cobalt One is pleased to announce that First Cobalt has waived the condition precedent in clause 3.1(l) of the SID. As the condition precedent has been waived, the Scheme is no longer conditional on each holder of Cobalt One restricted securities entering into a Restriction Agreement. The waiver of the condition

precedent is representative of the commitment that all parties have to the Scheme and the supportive and cooperative manner in which implementation of the Scheme is being progressed.

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 remaining 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.

Timing for the completion of the Scheme remains unchanged.

First Cobalt ASX Listing Rule waivers

It has come to Cobalt One's attention that Section 11.26(b) of the Scheme Booklet issued by Cobalt One dated 13 October 2017 (**Scheme Booklet**) contains an error in relation to an ASX Listing Rule waiver that ASX advised First Cobalt it would be likely to grant in relation to First Cobalt's admission to ASX.

The table in this Section of the Scheme Booklet incorrectly indicates that ASX would be likely to grant a waiver from ASX Listing Rule 4.7.3. ASX has not advised First Cobalt that it would grant such a waiver.

ASX Listing Rule 4.7.3 requires ASX listed entities to complete and provide an Appendix 4G – *Key to Disclosures – Corporate Governance Council Principles and Recommendations* with its annual report. This is a document which sets out whether the entity has complied with the ASX Corporate Governance Principles and Recommendations. Accordingly, First Cobalt will be required to lodge an Appendix 4G report with its annual report following its admission to ASX.

The directors of Cobalt One do not consider that this matter is material to a Cobalt One shareholder's decision as to how to vote in relation to the Scheme.

For and on behalf of the Board

Michael Naylor

Company Secretary