



TSX-V: FCC
ASX: FCC
OTCQB: FTSSF

**Application for Admission to the Australian Securities Exchange
Pre-Quotation Disclosure – Pro Forma Statement of Financial Position**

November 28, 2017

The information in this announcement is provided by First Cobalt Corp. (ARBN 620 935 499) (**First Cobalt**) to the Australian Securities Exchange (**ASX**) for release to the market in relation to the official quotation on ASX of First Cobalt common shares in the form of CHESS Depository Interests (**CDIs**).

Annexed to this announcement is the reviewed pro forma condensed statement of financial position of First Cobalt merged group (i.e. assuming completion of its merger with Cobalt One Limited (**Cobalt One**) and CobalTech Mining Inc. (**CobalTech**)) as at 30 June 2017 (**Pro Forma Statement**).

The Pro Forma Statement has been extracted from section 7.4(d) the Scheme Booklet issued by Cobalt One on 13 October 2017 (**Scheme Booklet**), a copy of which is contained in First Cobalt's Information Memorandum dated 8 November 2017.

The Pro Forma Statement should be considered in conjunction with the information at section 7.4 of the Scheme Booklet which includes the basis of its preparation and details of the assumptions used.

The Pro Forma Statement and its compilation has been reviewed by William Buck Consulting (WA) Pty Ltd. A copy of its Investigating Accountant's Report dated 28 November 2017 is also annexed to this announcement.

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PRO-FORMA CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2017 (UNAUDITED)

	FIRST COBALT CORP. C\$	COBALT ONE LIMITED C\$	PRO FORMA ADJUSTMENTS C\$				PRO FORMA COMBINED (FCC+CO1) C\$	COBALTECH MINING INC. C\$	PRO FORMA ADJUSTMENTS C\$			PRO FORMA COMBINED (FCC + CO1 + CSK) C\$	PRO FORMA COMBINED (FCC + CO1 + CSK) A\$
		Note 1	Note 2	Note 3	Note 4				Note 5	Note 6	Note 7		
ASSETS													
Current Assets													
Cash and cash equivalents	\$4,232,043	\$2,140,631	\$0	\$1,844,099	-	\$8,216,773	\$596,583	-	\$266,000	-	\$9,079,356	\$9,108,410	
Receivables and prepayments	686,101	1,681,775				2,367,876	471,777	-	-	-	2,839,653	2,848,740	
	4,918,144	3,822,406	-	1,844,099	-	10,584,649	1,068,360	-	266,000	-	11,919,009	11,957,150	
Non-Current Assets													
Investments	-	-	43,705,888	4,823,001	(48,528,890)	-		17,350,863	494,122	(17,844,985)	-	-	
Exploration and evaluation assets	6,291,558	13,917,638	-	-	37,739,805	57,949,000	6,609,101	-		10,754,270	75,312,371	75,553,371	
Property, plant and equipment	-	15,854,072	-	-	-	15,854,072	5,387	-	-	-	15,859,459	15,910,209	
Total Assets	\$11,209,702	\$33,594,116	\$43,705,888	\$6,667,100	(10,789,085)	\$84,387,721	\$7,682,848	\$17,350,863	\$760,122	-\$ 7,090,715	\$103,090,839	\$103,420,730	
LIABILITIES AND SHAREHOLDERS' EQUITY													
Current Liabilities													
Accounts payable and accrued liabilities	\$420,617	\$167,558	-	-	-	\$588,175	\$592,133	-	-	-	\$1,180,308	\$1,184,085	
Prepayment received	-	727,564	-	-	-	727,564	-	-	-	-	727,564	729,892	
Total Liabilities	\$420,617	\$895,122	\$0	\$0	\$0	\$1,315,739	\$592,133	\$0	\$0	\$0	\$1,907,872	\$1,913,977	
Shareholders' Equity													
Common shares	15,950,226	47,607,028	43,705,888	6,667,100	(15,950,226)	97,980,016	14,999,838	17,350,863	760,122	(14,999,838)	116,091,001	116,462,492	
Share issuance costs	(772,212)	-	-	-	772,212	-					-	-	
Reserves	1,380,566	7,616,627	-	-	(1,380,566)	7,616,627	1,107,145	-	-	(1,107,145)	7,616,627	7,641,000	
Deficit	(5,769,495)	(25,141,287)	-	-	5,769,495	(25,141,287)	(9,016,268)	-	-	9,016,268	(25,141,287)	(25,221,739)	
Non-controlling interest	-	2,616,627	-	-	-	2,616,627	-	-	-	-	2,616,627	2,625,000	
	\$10,789,085	32,698,994	\$43,705,888	\$6,667,100	-\$10,789,085	\$83,071,983	\$7,090,715	\$17,350,863	\$ 760,122	-\$ 7,090,715	101,182,968	101,506,753	
Total Liabilities and Shareholders' Equity	\$11,209,702	\$33,594,116	\$43,705,888	\$6,667,100	-\$10,789,085	\$84,387,721	\$7,682,848	\$17,350,863	\$ 760,122	-\$ 7,090,715	\$103,090,839	\$103,420,730	

Notes:

Note 1 Represents the consolidated statement of financial position of Cobalt One extracted from the audited consolidated financial statements for the financial year ended 30 June 2017, converted into Canadian dollars the exchange rate at 30 June 2017 of C\$:1.0000:A\$1.0032.

- Note 2 The issue of First Cobalt common shares or CDIs as consideration under the Scheme and consideration for the acquisition of Cobalt One options. The share based payment has been calculated based upon First Cobalt's last trading price on 22 June 2017 (Toronto time) of C\$0.76, prior to release of the announcement of First Cobalt's intention to merge with Cobalt One on 26 June 2017 (Toronto time).
- Note 3 Assumed exercise of Cobalt One's options which have an exercise price that is less than the price of Cobalt One shares traded on ASX immediately prior to the date of the Scheme Booklet (i.e. are 'in-the-money'), after the Scheme becomes effective.
- Note 4 Elimination of pre-acquisition net assets of First Cobalt.
- Note 5 The issuance of First Cobalt common shares in consideration of the acquisition of CobalTech.
- Note 6 Assumed exercise of CobalTech warrants which have an exercise price which is less than the price of CobalTech common shares traded on TSX-V immediately (i.e. are 'in-the-money') prior to the date the Scheme becomes effective.
- Note 7 Elimination of pre-acquisition net assets of CobalTech.

28 November 2017

The Directors
First Cobalt Corp
Suite 201, 140 Yonge Street
Toronto, ON M5C 1X6

Dear Sirs

Investigating Accountant's Report on First Cobalt Corp's Unaudited Merged Group pro forma historical statement of financial position

Introduction

We have been engaged by First Cobalt Corp. ("First Cobalt Corp" or "the Company"), to prepare this Investigating Accountant's Report (the "Report") on the Unaudited Merged Group pro forma historical statement of financial position of the Company as at 30 June 2017 in respect of the proposed Merger with Cobalt One Limited ("Cobalt One") and CobalTech Mining Inc. ("CobalTech").

Scope

William Buck Consulting (WA) Pty Ltd has been requested to prepare a Report covering the Unaudited Merged Group pro forma historical statement of financial position of the Merged Group consisting of First Cobalt Corp, Cobalt One and CobalTech as at 30 June 2017 ("the Unaudited Merged Group pro forma historical statement of financial position") described below and disclosed in the Scheme Booklet issued by Cobalt One dated 13 October 2017.

The Unaudited Merged Group pro forma historical statement of financial position is presented in a condensed form in the Scheme Booklet insofar as it does not include all of the disclosures required by International Financial Reporting Standards or Australian Accounting Standards applicable to annual financial reports.

The Unaudited Merged Group pro forma historical statement of financial position is set out in section 7.4(d) of the Scheme Booklet.

The Unaudited Merged Group pro forma historical statement of financial position has been prepared based on:

- First Cobalt Corp's reviewed financial statements for the 3 months ended 30 June 2017;
- Cobalt One's audited financial statements for the financial year ended 30 June 2017;
- CobalTech's unaudited financial statements for the 9 months ended 30 June 2017; and
- after adjusting for the pro forma assumptions and adjustments described in section 7.4(c) of the Scheme Booklet.

**CHARTERED ACCOUNTANTS
& ADVISORS**

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The interim financial statements of First Cobalt Corp for the three month period ended 30 June 2017 were reviewed by MNP LLC in accordance with Canadian generally accepted standards.

The financial statements of Cobalt One for the financial year ended 30 June 2017 Limited were audited by BDO Audit (WA) Pty Ltd in accordance with Australian Auditing Standards. The audit opinion issued to the members of Cobalt One Limited relating to those financial statements was qualified.

The condensed consolidated interim financial statements of CobalTech for the period ended 30 June 2017 were unaudited.

Directors' responsibility

The directors of First Cobalt Corp are responsible for the preparation and presentation of the Unaudited Merged Group pro forma historical statement of financial position, including the determination of the pro forma assumptions and adjustments.

The directors' responsibility includes establishing and maintaining internal controls relevant to the preparation of the Unaudited Merged Group pro forma historical statement of financial position that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Unaudited Merged Group pro forma historical statement of financial position based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the Unaudited Merged Group pro forma historical statement of financial position.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Unaudited Merged Group pro forma historical statement of financial position as at 30 June 2017 is not presented fairly in all

material respects, in accordance with the stated basis of preparation and pro-forma assumptions and adjustments as described in section 7.4 (b) and (c) of the Scheme Booklet.

Restriction on Use

We disclaim any assumptions of responsibility for any reliance on this Report or on the Unaudited Merged Group pro forma historical statement of financial position to which this Report relates for any purpose other than the purpose for which it was prepared. This Report should be read in conjunction with the Scheme Booklet.

General Advice Limitation

This Report has been prepared for lodgement with the Australian Securities Exchange to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on this information contained in this Report. Before acting or relying on information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Independence

William Buck Consulting (WA) Pty Ltd does not have any interest in the outcome of the issue of shares other than in connection with the preparation of this Report and participation in due diligence procedures for which normal professional fees will be received.

Consent

William Buck Consulting (WA) Pty Ltd has consented to the lodgement of this Report with the Australian Securities Exchange in the form and context in which it is so included. At the date of this Report our consent has not been withdrawn. William Buck Consulting (WA) Pty Ltd makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Scheme Booklet.

Yours faithfully



William Buck Consulting (WA) Pty Ltd
ABN 74 125 178 734



Conley Manifis
Director

Dated this 28th day of November, 2017