



## First Cobalt Announces Letter to Shareholders

TORONTO, ON — (June 5, 2018) – First Cobalt Corp. (TSX-V: FCC; ASX: FCC; OTCQX: FTSSF) (the “Company”) has today released a letter to shareholders from the Company’s President and CEO, Trent Mell, to provide an update on the Company’s business activities for the remainder of 2018. This letter is available on our website at [www.firstcobalt.com](http://www.firstcobalt.com).

Dear Investor:

I am excited to mark the beginning of a new chapter for First Cobalt and I am delighted to welcome former US Cobalt shareholders to the Company.

The global fleet of electric vehicles grew 54% in 2017, however this only represents a little over 1% of global vehicle sales. The EV revolution is still in its infancy, yet cobalt production is in a deficit position and is projected to remain there for several years.

Assertions that cobalt could soon be eliminated altogether from electric vehicles are simply wrong. We are indeed moving towards an era of *lower* cobalt content per vehicle, but this has positive implications for cobalt producers as it lowers the price of the battery packs which in turn will accelerate mass adoption of EVs over combustion engines. Benchmark Mineral Intelligence forecasts that cobalt density in EVs will decrease by 60% from 2017-2026 and yet total cobalt EV demand will increase more than 300% as more people opt for electric vehicles.

Miners are now playing catch up and success will come to the first movers who have the right team, in the right jurisdiction, with the right assets.

Over the past year, four cobalt companies have come together under the First Cobalt banner to create a vertically integrated, North American pure play cobalt company with assets in two of the best jurisdictions in the world – Idaho and Ontario. First Cobalt has demonstrated an ability to act swiftly to build a company that can deliver meaningful cobalt supply and shareholder value in this rapidly moving cobalt environment.

As we move into the second half of 2018, some key milestones you can look forward to include:

- **Iron Creek Project (Idaho, USA)** – A resource estimate is underway based on 2017 drilling and the success of that drill campaign was key to our decision to acquire US Cobalt. We have now commenced a more ambitious drill program aimed at doubling the strike length of the known cobalt mineralization to 900 metres by the end of 2018, which will support an updated mineral resource estimate and provide us with a better understanding of the size of potential future operations. Mineralization identified to date is contained within patented property, which is advantageous for permitting. As we continue to build our team, we will share with you details of metallurgical work and other critical path items.
- **First Cobalt Refinery (Ontario, Canada)** – First Cobalt owns the only permitted cobalt refinery in North America capable of producing battery materials. This is significant because most cobalt in North America is found with high arsenic, which our refinery was designed to treat – unlike cobalt

refineries found elsewhere in the world. We recently initiated a study for a restart and expansion of the facility, which has been in a state of care and maintenance for three years. The refinery has the potential to treat feed material from First Cobalt's own projects, historic muckpile material in the Cobalt Camp, third party concentrates and recycled material – creating a North American supply of cobalt sulfate for the electric vehicle market.

- **Cobalt Camp (Ontario, Canada)** – First Cobalt controls almost half of the historic Canadian Cobalt Camp, with more than 50 past producing mines over 100 km<sup>2</sup>. Early in our 2018 drill program, we identified a mineralized zone near Kerr Lake that now extends for over 350m. The goal is to assess near-surface mineralization that could be amenable to open pit mining. These are early days for a mining camp that has been largely forgotten for over 60 years and the upside potential from this camp is significant.

The strategy heading into 2018 was to (1) grow through strategic acquisition, (2) create shareholder value through exploration and (3) capitalize on early cash flow opportunities. We have certainly achieved meaningful growth through the acquisition of Iron Creek and we continue to have exploration success in both jurisdictions. The refinery is key to realizing early cash flow opportunities and we continue to assess our options for this asset.

First Cobalt is well positioned to benefit from the strong cobalt market as it builds a vertically integrated, North American cobalt company. As a shareholder, my goal is to make First Cobalt the “go to” name for exposure to the cobalt space. I believe we offer everything that investors are looking for:

- Industry Leading Team
- Vertically Integrated, North American Cobalt Assets
- Pathway to Primary Cobalt Production

On behalf of the First Cobalt team, I would like to thank you for your support. I will continue to work tirelessly for your interests, as I truly believe that our best days are ahead of us.

Regards,

Trent  
President & CEO

Mell

### **About First Cobalt**

First Cobalt is a vertically integrated North America pure-play cobalt company. First Cobalt has three significant North American assets: the Iron Creek Project in Idaho, the Canadian Cobalt Camp, with more than 50 past producing mines; and the only permitted cobalt refinery in North America capable of producing battery materials.

On behalf of First Cobalt Corp.

Trent Mell  
President & Chief Executive Officer

**For more information visit [www.firstcobalt.com](http://www.firstcobalt.com) or contact:**

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