



August 14, 2017

Dear Investor:

I am pleased to provide you with an update on recent business activities as well as the status of the two mergers we announced on June 26th with Cobalt One Limited and CobalTech Mining. Management has been extremely busy over the summer months and we are very excited about our accomplishments.

Over the last few months, we have been busy with road shows, taking us all over the world to New York, London, Zurich, Hong Kong, and Australia where we have experienced significant institutional demand for First Cobalt. It has become very clear that many in the institutional world view the mergers as one of the best ways to get exposure to a rapidly growing cobalt space. This has served to enhance our confidence that once the mergers are complete the new First Cobalt will offer investors exposure to:

1. One of the Largest Cobalt Companies in the World

As one of the largest pure-play cobalt companies in the world, the new First Cobalt will benefit from increased liquidity, better access to capital and institutional investor interest, which in turn will allow us to accelerate our consolidation, exploration and development plans for the Camp.

2. A Consolidated Cobalt-Rich Mining Camp

First Cobalt will control a significant portion of the prospective properties in the Cobalt, Ontario mining district upon completion of the transactions. This Camp been under-explored for its cobalt potential and has never before seen the meaningful land consolidation achieved with these mergers, which will facilitate regional exploration for open pit potential.

Consummation of the transactions is progressing as planned. Here is a brief update:

- Trading of First Cobalt stock has been halted while Canadian regulators review the transaction. We understand trading could resume in a matter of days. We will inform the market as soon as we have a date.
- Canaccord Genuity, our financial advisors, arranged institutional investor meetings around the world. The reception has been very positive and I look forward to having some as First Cobalt shareholders.
- First Cobalt's Management and Board of Directors met with board nominees Paul Matysek, Bob Cross, and Jason Bontempo to discuss corporate strategy for the new First Cobalt. The group has good alignment of vision and we anticipate an increase in exploration activities upon closing the transactions.
- Due diligence and legal documentation are advanced and we appear to be on track to close both transactions later in the fall of 2017.

Meanwhile, Dr. Frank Santaguida, P.Geo. and Peter Campbell, P.Eng. have been advancing works on our current projects:

- Drilling at Keeley-Frontier commenced August 8th and will continue for at least 10 weeks ([click here for press release](#)).



- We have hired a full-time senior geologist to work in Cobalt with Frank to oversee the day-to-day activities of our exploration team.
- Peter is working with consultants to assess near-term cash flow potential using the CobalTech mill, the Cobalt One refinery site, and the stockpiles of unprocessed mineralized material discarded by historic mining operators.
- Post-merger integration plans are underway, including an expansion of exploration and drilling activities directed by First Cobalt, without increasing corporate staffing levels.
- Management hosted a site visit in August for some sell side analysts and is planning buy side visits for September and October.

The current 2017 exploration program is intended to provide a better understanding of the distribution and extent of cobalt mineralization within the historic Keeley-Frontier Mine and explore other silver-cobalt prospects on the property. Initial assays from the drill campaign are anticipated in September. Exploration work completed to date includes structural mapping of Keeley-Frontier, outcrop mapping and sampling, multi-element geochemical data interpretation, downhole televiwer surveys and a review of acquired airborne magnetic data. All data are being integrated within a 3D geological model that is based on about 50 years of data on our Greater Cobalt Project area, which will contribute to the development of a geological model for the Camp.

With very few prospective cobalt exploration programs outside the DRC, we are uniquely positioned to benefit from the strong cobalt market. Our Greater Cobalt Project is arguably the only camp-scale exploration program focused on discovering cobalt resources in the world.

Moving forward, it is my goal to make First Cobalt the “go to” name for exposure to the cobalt space. I believe we offer everything that sophisticated institutional investors are looking for:

- **Industry Leading Team**
- **District Scale Cobalt Development Camp**
- **Pathway to Cobalt Production**

On behalf of First Cobalt’s management team and Board of Directors, I would like to thank you for your support. I truly believe that our best days are ahead of us and I will continue to work tirelessly for your interests.

Regards,

A handwritten signature in black ink, appearing to read "Trent Mell".

Trent Mell
President & CEO