



NEWS RELEASE  
TSX.V/ASX: FCC  
OTCQB: FTSSF

## First Cobalt Initiates Study on Refinery Restart Requirements

TORONTO, ON — (April 19, 2018) – First Cobalt Corp. (TSX-V: FCC, ASX: FCC, OTCQB: FTSSF) (the “Company”) today announces it has initiated a study of the First Cobalt Refinery, located in the Canadian Cobalt Camp, intended to help the Company estimate the capital requirements for a future restart and expansion of the Refinery.

### Highlights

- First Cobalt is 100% owner of the Refinery, which is the only fully permitted cobalt refinery in North America capable of producing battery materials
- Study will estimate the capital required to restart the Refinery in its current configuration and under an expansion scenario within the existing footprint
- Study will provide operating cost estimates for both the current configuration and an expansion scenario
- Refinery could treat third-party material for a North American supply of cobalt sulfate to the electric vehicle market

Trent Mell, President & Chief Executive Officer, commented:

*“The First Cobalt Refinery is a unique and strategic asset that is fully permitted to process North American feedstock. As we move forward with proposed acquisition of US Cobalt and ongoing studies of early cash flow opportunities in the Cobalt Camp from historic muckpile material, this Refinery study will drive us closer to our goal of being a vertically integrated North American cobalt company.”*

First Cobalt has initiated a study of the First Cobalt Refinery to estimate the capital requirements to restart the facility in its current configuration and under an expansion scenario. The expansion scenario study will estimate the additional capital requirements and increase in throughput of an expanded facility within the current building footprint. Operating cost estimates will be provided for both scenarios.

The First Cobalt Refinery is a hydrometallurgical cobalt-silver-nickel refinery located approximately five kilometres east of Cobalt, Ontario. The facility was commissioned in 1996 with a nominal throughput of twelve tonnes per day. A second autoclave was later added to the pressure oxidation circuit to double the throughput to 24 tonnes per day but the second autoclave was never fully commissioned. The current footprint includes an empty feed warehouse that once housed a mill. The facility is located on a 40-acre property that can be expanded to 120 acres with two settling ponds and an autoclave pond (Image 1).

The flowsheet and timeline for a potential restart of the Refinery has become a focus following the recently announced friendly merger with US Cobalt Inc. (TSX-V: USCO, OTCQB: USCF) (see press release, March 14, 2018). US Cobalt’s primary asset is the Iron Creek cobalt project in Idaho, which has a historic mineral resource estimate (non-compliant with NI 43-101) of 1.3 million tons grading 0.59% cobalt and 0.3% copper. A 10,700 metre drill program was recently completed at Iron Creek to confirm this historic estimate and a current mineral resource estimate is expected during 2018. US Cobalt’s securityholders will vote on the

proposed transaction on May 17, 2018.

A 2012 report prepared for a previous owner by Hatch estimated the replacement value of the First Cobalt Refinery at US\$78 million, excluding the capital invested in power lines and earthworks related to the tailings facility and roads.

The facility is fully permitted for processing feed containing elevated concentrations of arsenic, such as those from the Cobalt Camp, the Idaho Cobalt Belt and elsewhere in North America. The Company believes that permitting a similar facility in North America today could take a significant investment of time.

The ability of the Refinery to process materials containing elevated arsenic and produce cobalt battery materials could de-risk not only First Cobalt projects, but also other North American cobalt projects.



**Image 1. Aerial image of the facility illustrating the existing footprint of the refinery building and the tailing ponds.**

The Refinery contains three circuits: a pressure oxidation circuit, a solvent extraction circuit and a Merrill Crowe circuit. Feed containing arsenic is first treated in the pressure oxidation circuit where arsenic is combined with iron to create a stable iron arsenate called scorodite. The Refinery permits allow scorodite to be disposed of in its autoclave pond.

The Company has engaged Primero Group, an Australian engineering firm with an office in Montréal, Québec, to conduct the desktop study review. Primero's expertise spans several disciplines within the resources industry and includes infrastructure development and mineral processing, as well as hydrocarbon storage and gas compression facilities. Results of the Refinery study are expected in the second quarter.

## **Qualified and Competent Person Statement**

Peter Campbell, P.Eng., is the Qualified Person as defined by National Instrument 43-101 who has reviewed and approved the contents of this news release. Mr. Campbell is also a Competent Person (as defined in the JORC Code, 2012 edition) who is a practicing member of the Professional Engineers of Ontario (being a 'Recognised Professional Organisation' for the purposes of the ASX Listing Rules). Mr. Campbell is employed on a full-time basis as Vice President, Business Development for First Cobalt. He has sufficient experience that is relevant to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code.

## **About First Cobalt**

First Cobalt aims to create the largest pure-play cobalt exploration and development company in the world. The Company controls over 10,000 hectares of prospective land covering over 50 historic mines as well as mineral processing facilities in the Cobalt Camp in Ontario, Canada. The First Cobalt Refinery is the only permitted facility in North America capable of producing cobalt battery materials.

First Cobalt seeks to build shareholder value through new discovery, mineral processing and growth opportunities, with a focus on North America.

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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*This news release may contain forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws and the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "occur" or "be achieved". Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance and opportunities to differ materially from those implied by such forward-looking statements. In particular, forward-looking information included in this news release includes, without limitation, the anticipated closing date of the Transaction, the receipt of final court approval and other regulatory approvals. Factors that could cause actual results to differ materially from these forward-looking statements are set forth in the management discussion and analysis and other disclosures of risk factors for each of First Cobalt and US Cobalt, filed on SEDAR at [www.sedar.com](http://www.sedar.com). Although First Cobalt and US Cobalt believe that the information and assumptions used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by applicable law, First Cobalt and US Cobalt disclaim any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.*

**Historic Estimates**

*US Cobalt considers the cobalt and copper tonnage and grade estimates above as historical estimates. The historical estimates do not use categories that conform to current CIM Definition Standards on Mineral Resources and Mineral Reserves as outlined in National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101") and have not been redefined to conform to current CIM Definition Standards. They were prepared in the 1980s prior to the adoption and implementation of NI 43-101. A qualified person has not done sufficient work to classify the historical estimates as current mineral resources and US Cobalt is not treating the historical estimates as current mineral resources. More work, including, but not limited to, drilling, will be required to conform the estimates to current CIM Definition Standards. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Iron Creek property. US Cobalt has not undertaken any independent investigation of the historical estimates nor has it independently analyzed the results of the previous exploration work in order to verify the accuracy of the information. US Cobalt believes that the historical estimates are relevant to continuing exploration on the Iron Creek property.*