



First Cobalt Receives \$10 Million Investment from Federal and Provincial Governments

TORONTO, ON — (December 16, 2020) – First Cobalt Corp. (TSX-V: FCC; OTCQX: FTSSF) (the “Company”) is pleased to announce that it has signed contribution agreements and will be the recipient of \$10 million in public funding from the Government of Canada and the Government of Ontario. This critical funding will allow the Company to accelerate the commissioning and expansion of its Refinery in Northern Ontario, attract new investment, and execute against its strategic business plan.

Key terms under the agreements with both governments are as follows:

- Government of Canada: \$5 million interest-free loan, through the Federal Economic Development Initiative for Northern Ontario
- Government of Ontario: \$5 million non-repayable grant, through the Northern Ontario Heritage Fund Corporation
- This combined strategic investment, totaling \$10 million, will enable First Cobalt to recommission and expand its cobalt refinery north of Toronto
- Once complete, the facility will be the first of its kind in North America, capable of producing 25,000 tonnes of battery-grade cobalt sulfate annually, which could represent five percent of the global market for refined cobalt

All amounts in this news release are in Canadian dollars unless otherwise indicated.

First Cobalt’s refinery project has an estimated capital cost of \$77 million (US\$60 million), including Federal and Provincial contributions totaling \$10 million. This support will help secure well-paying, long-term jobs in Northern Ontario.

The Refinery adds another significant piece to the automotive supply chain in Canada, following recent announcements by both levels of government in support of battery electric vehicle production.

As global EV sales continue to set new records, First Cobalt will play a critical role in the growing North American supply chain. This investment reinforces Canada’s position as an automotive powerhouse as the auto industry positions itself for an electric future.

John Pollesel, Chairman of the Board of Directors, commented:

“Today’s announcement is a transformational investment from the Federal and Provincial governments and is further validation of the strategic plan that our management team has been executing for many months. This funding sends a strong signal to investors that our plan is credible, achievable, and realistic. Looking ahead, the enhanced credibility this funding brings will help attract investment partners to this critical project.”

Trent Mell, President & Chief Executive Officer, commented:

“The electric vehicle revolution is powered by cobalt and we are thrilled to partner with the Government of Canada and the Government of Ontario to expand and recommission our Northern Ontario Refinery, bringing long-term employment to the community.”

Global demand for cobalt is increasing as electric vehicles become more widely adopted. Our refinery will be the only source of domestic cobalt for the North American electric vehicle industry and it will also be well positioned to support the European market.

The cobalt feed material that we will process will be certified as ethically sourced and conflict-free. Moreover, our goal is to build the greenest cobalt refinery in the world. Initial indications are that our refinery will have CO₂ emissions that are 50% lower than our benchmark peer – and we will not stop there.”

Project Overview

The First Cobalt Refinery is a hydrometallurgical cobalt refinery located north of Toronto, in the community of Temiskaming Shores. The facility was permitted in 1996 with a nominal throughput of 12 tonnes per day and operated intermittently until 2015, producing cobalt, nickel and silver products. In May 2020, the Company completed an engineering study that confirmed the Refinery’s suitability to treat cobalt hydroxide at an expanded throughput of 55 tonnes per day to produce a high purity, battery grade cobalt sulfate. Today, approximately 80% of global supply comes from China and there is no production in North America.

In conjunction with the feasibility study, discussions have been ongoing with potential automotive offtake partners as well as several lenders interested in providing the balance of the capital required to complete the project.



Site Rendering of the expanded First Cobalt Refinery

About First Cobalt

First Cobalt owns North America’s only permitted cobalt refinery. Cobalt refining is a critical component to the development and manufacturing of batteries for electric vehicles and forms a foundational piece of the next generation of the North American auto sector and other electrified consumer and industrial applications. First Cobalt owns the Iron Creek cobalt project in Idaho, USA and controls significant silver and cobalt assets in the Canadian Cobalt Camp, including more than 50 past producing mines.

On behalf of First Cobalt Corp.

Trent Mell
President & Chief Executive Officer

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