



**FIRST**

**COBALT**

**ACQUISITION OF US COBALT CREATES  
THE GO-TO MULTI-PROJECT COBALT EXPLORATION COMPANY**

March 14, 2018

# Forward-Looking Statement

All statements, other than statements of historical fact, contained in this presentation constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, and “forward-looking information” under similar Canadian legislation and are based on the reasonable expectations, estimates and projections of the Company as of the date of this presentation. Forward-looking statements and forward-looking information include, without limitation, possible events, trends and opportunities and statements with respect to possible events, trends and opportunities, including with respect to, among other things, the state of the cobalt market, global market conditions, the ability of the Company to identify and acquire assets, results of exploration activities, the nature of potential business acquisitions, capital expenditures, successful development of potential acquisitions, currency fluctuations, government policy and regulation, geopolitical uncertainty and environmental regulation. Generally, forward-looking statements and forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements and forward-looking information are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions contained in this presentation, which may prove to be incorrect, include, but are not limited to, the various assumptions of the Company set forth herein. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and forward-looking information. Such factors include, but are not limited to fluctuations in the supply and demand for cobalt, changes in competitive pressures, including pricing pressures, timing and amount of capital expenditures, changes in capital markets and corresponding effects on the Company’s investments, changes in currency and exchange rates, unexpected geological or environmental conditions, changes in and the effects of, government legislation, taxation, controls and regulations and political or economic developments or civil unrest in jurisdictions in which the Company carries on its business or expects to do business, success in retaining or recruiting officers and directors for the future success of the Company’s business, officers and directors allocating their time to other ventures; success in obtaining any required additional financing to make target acquisition or develop an acquired business; employee relations, and risks associated with obtaining any necessary licenses or permits. Many of these uncertainties and contingencies can affect the Company’s actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements and forward-looking information made by, or on behalf of, the Company. There can be no assurance that forward-looking statements and forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements and forward-looking information made in this presentation are qualified by these cautionary statements. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are incorporated by reference herein, except in accordance with applicable securities laws. Timelines used in this presentation are for the purpose of aiding management in the planning and implementation of the project, and are not based on a detailed assessment of project requirements. Consequently, the timelines are subject to material revision based on when technical reports and/or feasibility studies, if any, are completed. Future phases of the project are contingent upon completion of preceding phases. Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

This presentation contains references to historical resource. First Cobalt is not treating the historical estimates as current mineral resources or mineral reserves. A qualified person has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves. Dr. Frank Santaguida, P. Geo., is a Qualified Person as defined by NI 43-101. Dr. Santaguida is also a Competent Person (as defined in the JORC Code, 2012 edition) who is a practicing member of the Association of Professional Geologists of Ontario (being a ‘Recognised Professional Organisation’ for the purposes of the ASX Listing Rules). Dr. Santaguida is employed on a full-time basis as Vice President, Exploration 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 and has reviewed and approved the scientific and technical content in this presentation.

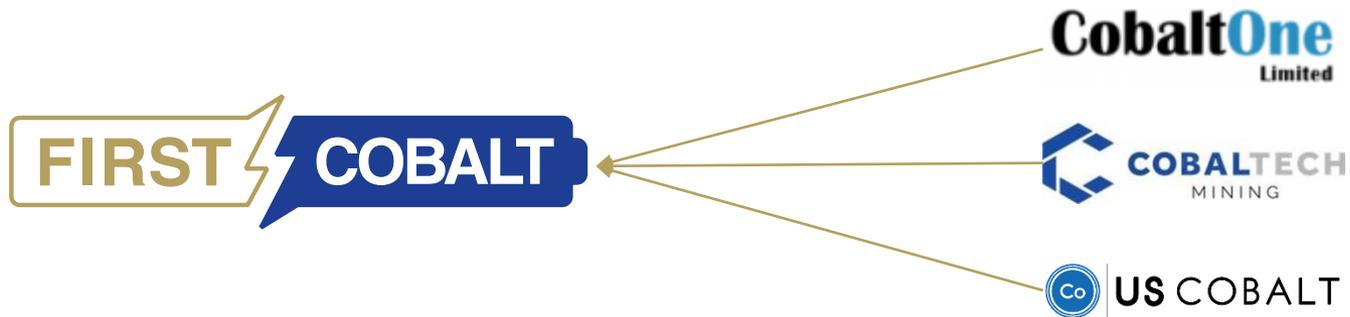
USCO considers the cobalt and copper tonnage and grade estimates above as historical estimates. The historical estimates do not use categories that conform to current CIM Definition Standards on Mineral Resources and Mineral Reserves as outlined in National Instrument 43-101, Standards of Disclosure 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 USCO 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 Property. USCO 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. USCO believes that the historical estimates are relevant to continuing exploration on the Property.

MADE IN NORTH AMERICA



# Transaction Rationale

- Creates the go-to multi-project cobalt exploration company
- Solidifies First Cobalt as the active consolidator in the cobalt sector



- Brings together two of the most prospective cobalt jurisdictions in the world
- Establishes footprint within the highly prospective Idaho Cobalt Belt

# North American Cobalt Solution



## Idaho Cobalt Belt

Iron Creek Project containing Historic Resource of 1.3M tons grading 0.59% cobalt\*

\*non-compliant with NI 43-101, see pg. 2 for details

Mineral Resource expected in 2018



First Cobalt Refinery



## Canada Cobalt Camp

The only fully permitted refinery in North America capable of producing battery-grade cobalt material

50 past producing mines on more than 11,700 hectares

Tesla Plant   
 Apple Headquarters   
 Google Office 

Tesla Gigafactory 

Honda Plant   
 GMC Plant   
 Chrysler Plant   
 Ford Plant   
 Toyota Plant   
 GMC Plant 

Chrysler Plant   
 Ford Plant   
 GMC Plant 



# Transaction Highlights

<b>North American Cobalt Platform</b>	<p>Vertically integrated pure-play North American cobalt company with three significant North American assets</p> <ul style="list-style-type: none"><li>Ontario: 50 historic mines across 100 km<sup>2</sup> in the Canadian Cobalt Camp</li><li>Idaho: Iron Creek Cobalt Project in the U.S. with a historic resource estimate (non-compliant with NI 43-101) of 1.3M tons grading 0.59% cobalt*</li><li>Refinery: The only permitted cobalt refinery in North America capable of producing battery materials</li></ul>	<ul style="list-style-type: none"><li>• No foreign offtakes</li><li>• No encumbrances</li><li>• Not dependent on any partners</li></ul>
<b>Opportunity for Clean Cobalt</b>	<p>Strategically positions First Cobalt as a leading non-DRC cobalt company with North American projects located in close proximity to infrastructure as well as electric vehicle and technology hubs such as Michigan and California</p>	<ul style="list-style-type: none"><li>• Not in high risk jurisdictions</li><li>• No risk of underage illegal mining</li><li>• No human rights issues</li></ul>
<b>Enhanced Capital Markets Profile</b>	<p>Combined entity will have an enhanced capital markets profile with a global institutional shareholder base, a strong balance sheet and a proven management team</p> <p>Active consolidator in the cobalt space</p>	<ul style="list-style-type: none"><li>• Not a single asset</li><li>• Not complacent</li></ul>

# Pro Forma Capital Structure

			
Ticker	TSX.V/ASX: FCC OTCQB: FTSSF	TSX.V: USCO OTCQB: USCFF	TSX.V/ASX: FCC OTCQB: FTSSF
Share Price (CAD)	\$1.10	\$1.00	
Basic Shares O/S (M)	222.4	67.8	349.2
Options (M)	6.1	6.3	12.5
Warrants (M)	13.2	16.7	13.2
FD Shares O/S (M)	241.8	90.7	374.9

Note: market data as of March 13, 2018

First Cobalt has signed a definitive agreement with US Cobalt to acquire all of the issued and outstanding shares of US Cobalt for 1.5 of a First Cobalt common share for each US Cobalt common share. Additional details in news release dated March 14, 2018.

# Permitted Refinery

- Hydrometallurgical cobalt-silver-nickel refinery located in Cobalt, Ontario
- The **only fully permitted cobalt extraction refinery** in North America
  - US\$100 million replacement value (est.)
- Permits and processing infrastructure support a **fast-track to production**



# North American Cobalt Processing Capability

Autoclave



Refinery Aerial



- Current facility on 40 acres, expandable to 120 acres, all fully permitted
- Bench-scale metallurgical studies for flowsheet design
- Cost review in progress for expansion and recommissioning
  - Facility has been on care and maintenance since 2015

# IDAHO COBALT BELT



# Iron Creek Cobalt Project, Idaho

## Idaho Cobalt Belt

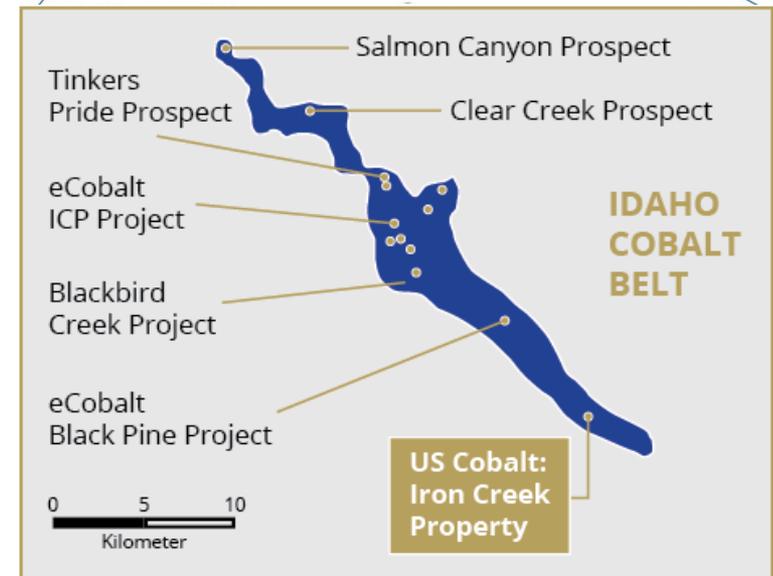
- Well-known mining district considered to contain largest unmined resources in USA
- Includes former producing Blackbird Mine (Noranda) and several other developed prospects
- District estimated at **16.8 Mt at 0.74% Co, 1.37 % Cu and 1.04 g/t Au (U.S. Geological Survey, 2017)**
- District extends over 60 km in strike length

## Iron Creek Property

- Located in Central Idaho, approximately 42 km from the town of Salmon
- Historic Estimate of **1.3m tons grading 0.59% cobalt, 0.3% copper\*** (non-compliant with NI 43-101)
- 9,100m of historic drilling and over 600m of underground drifting
- 727 hectares (1,797 acres ) on 90 lode mining claims

\*non-compliant with NI 43-101, see pg. 2 for details

TSX.V: FCC ASX: FCC OTCQB:FTSSF



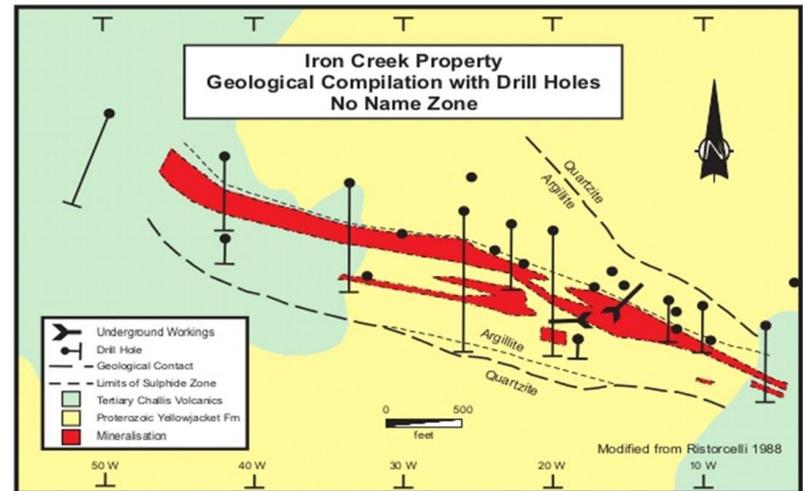


### Infrastructure already in place:

- Underground development including 600m of drifting from three adits
- All weather road connecting to highway 93
- Mining patents or exploration permits

# Iron Creek Historical Resource

- Noranda Exploration Inc. completed a report in 1980 defining two mineralized zones over 400m of strike length
- Together, these were estimated to contain **1.3M tons grading an average of 0.59% cobalt\*** (non-compliant NI43-101 resource estimate)
- Mineralization-style is semi-massive sulphide within argillaceous sedimentary rocks
- Cobalt dominantly within fine grained massive pyrite
- Mineralization zone traced by drilling for over 800m and is open to west and down-dip

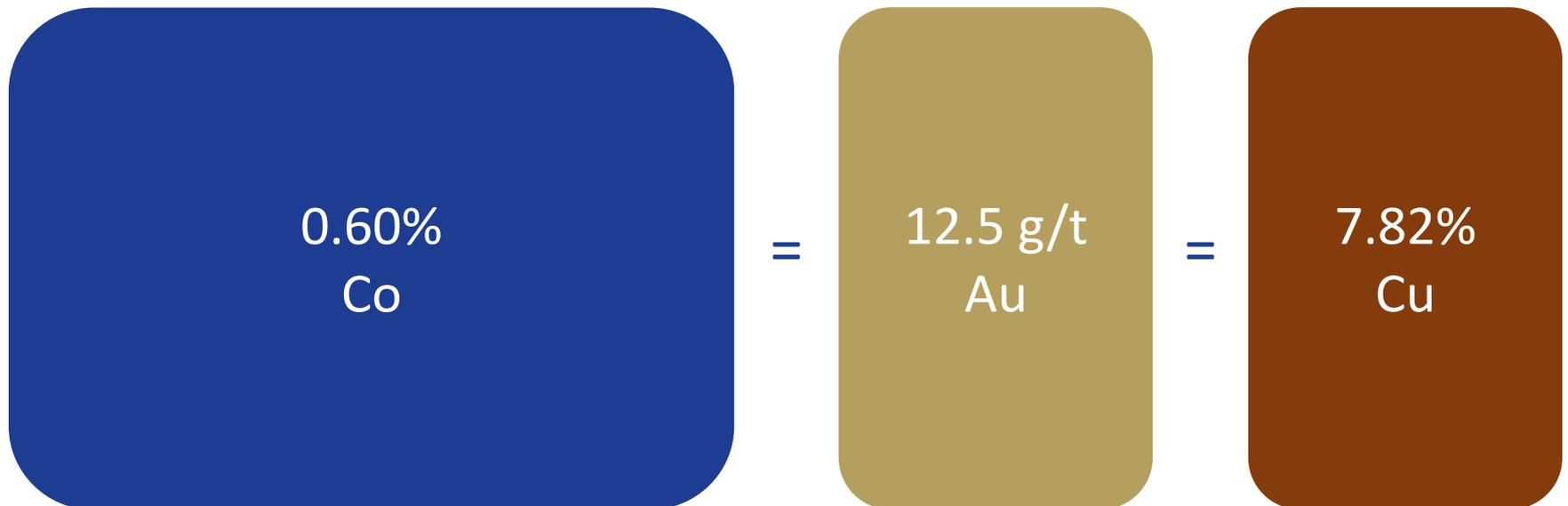


\*non-compliant with NI 43-101, see pg. 2 for detailsz

# Illustrative Grade Comparison

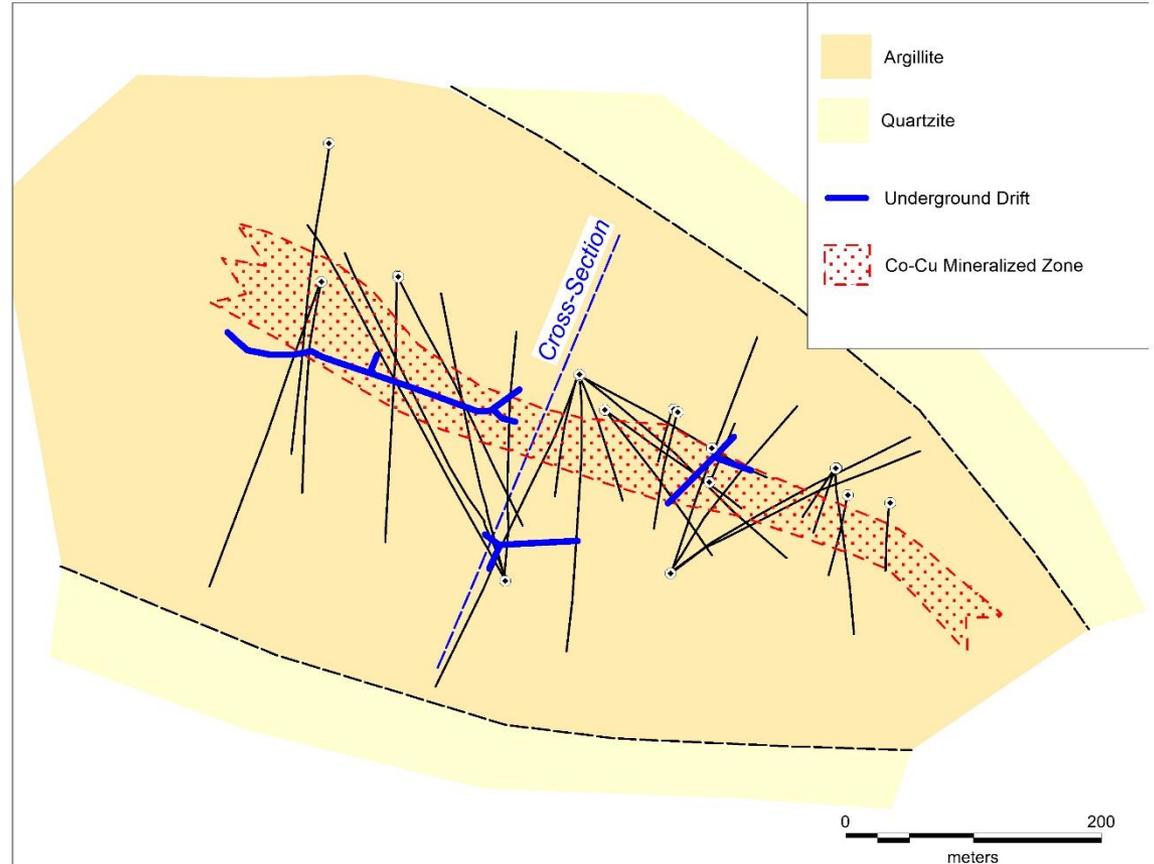
- Below demonstrates illustrative grades equivalent in dollar value to 0.60% Co: 12.5 g/t Au, 7.82% Cu
- Metal equivalency converted at spot metal prices as of March 8, 2018

## High Grade



# 2017 Drilling

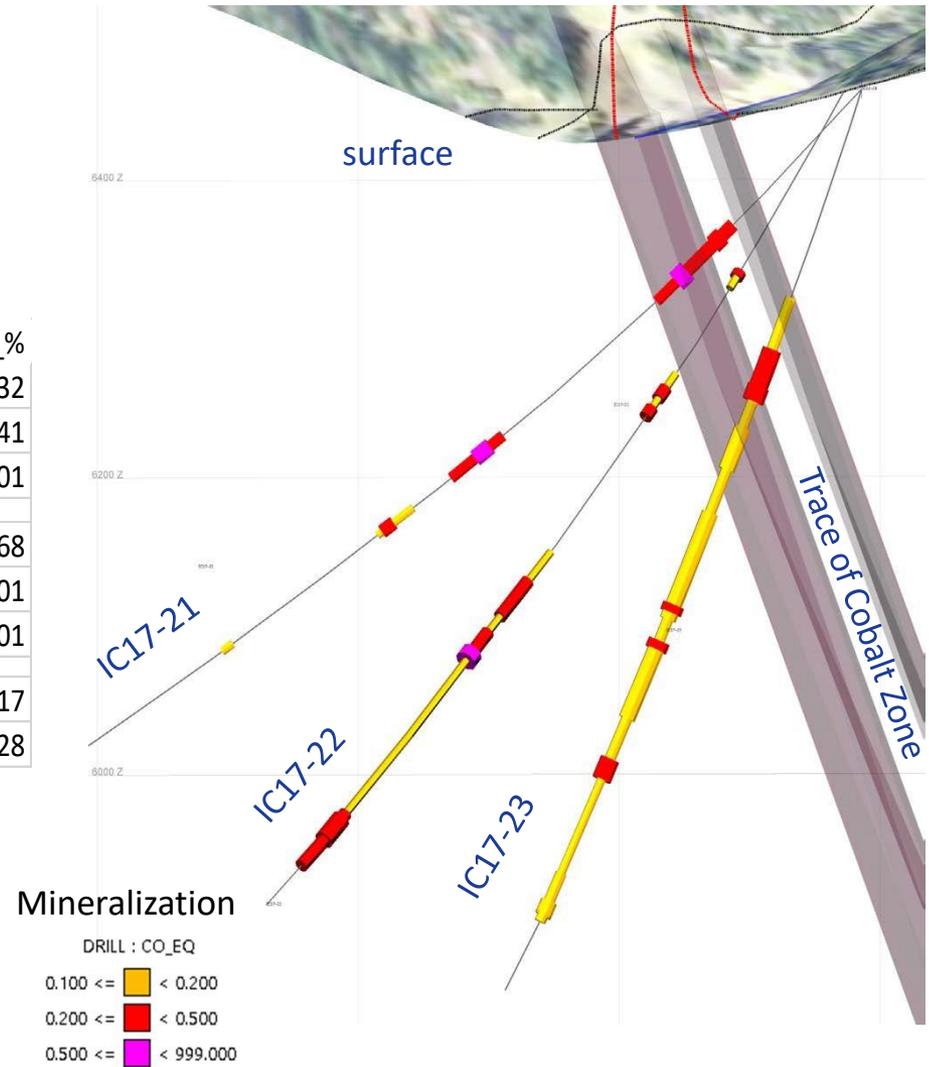
- Over 10,800m diamond drilling (40 holes) completed from surface in 2017
- Assay results confirm historic mineralization and indicate broader cobalt mineralization zones in places
- Assays pending for six holes
- 2018 drilling underway from underground access
- NI43-101 compliant resource calculation expected in late 2018



# Cross Section

- Drill holes in gap of historic resource - highlights mineralization in footwall below known resource

Hole No.	Zone	From_m	To_m	Width	Co_%	Cu_%
IC17-21	No-Name	39.32	62.09	22.77	0.23	0.32
IC17-21	Footwall	82.78	90.53	7.75	0.16	0.41
IC17-21	Footwall	108.81	119.5	10.7	0.28	0.01
IC17-22	No-Name	46.63	110.95	21.34	0.04	0.68
IC17-22	Footwall	196.17	205.89	9.72	0.33	0.01
IC17-22	Footwall	269.66	279.35	9.69	0.41	0.01
IC17-23	No-Name	60.9	78.21	17.31	0.18	0.17
IC17-23	Footwall	113.45	123.44	9.99	0.12	0.28

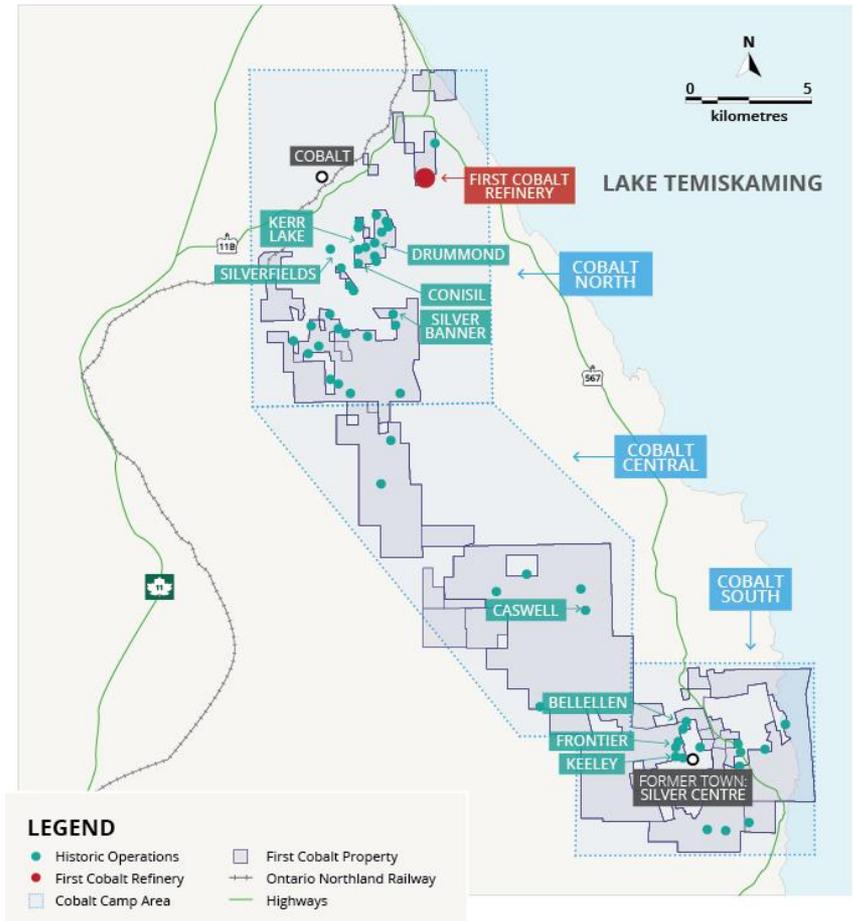


# THE COBALT CAMP



# Historic Canadian Cobalt Camp

- First Cobalt controls 45% of the Cobalt Camp, including 50 past producing mines
- Historically the most prolific cobalt mining camp in Canada
  - **50 million pounds of cobalt and 600 million ounces of silver** mined over a 60-year period
  - Peak production from 1919 to 1931
- **Limited historic exploration, focused on silver**
  - Never explored for cobalt or bulk mining potential
  - Shallow mining, typically < 200m depth



# Early Drill Results: Three Distinct Zones

## Keeley South Zone

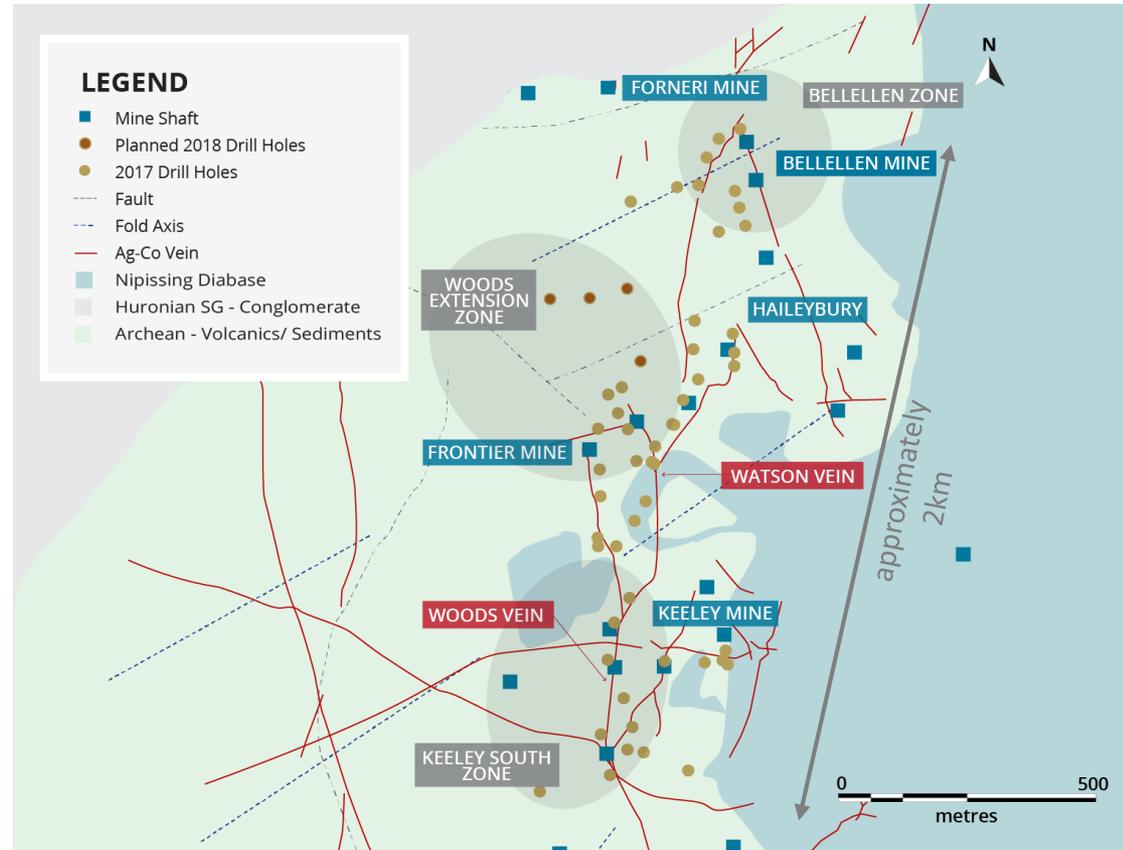
- New veins west of Woods vein
- KF-KD-0005: >1.00% Co over 0.42m
- KF-KD-0005: 0.60% Co over 0.38m

## Woods Extension Zone

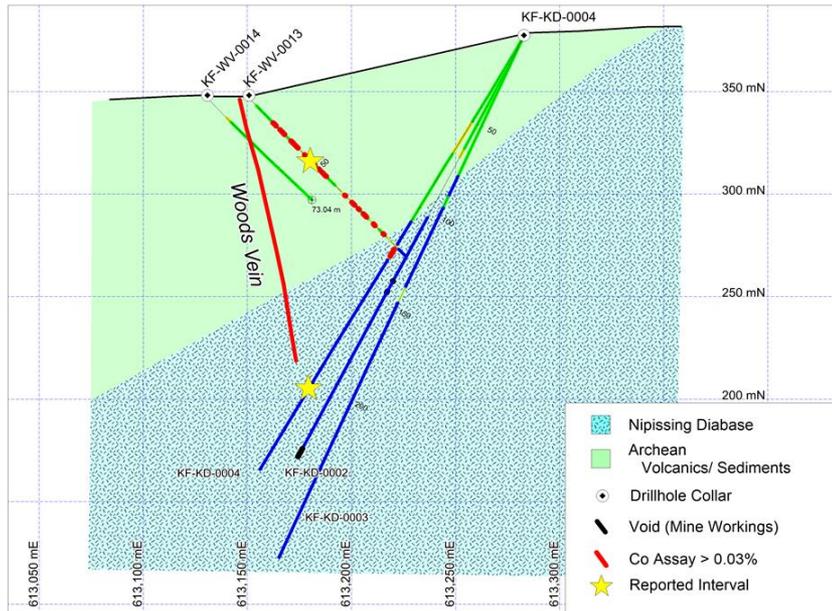
- Broad deformation zone of mineralization may exist rather than discrete individual veins
- KF-WV-0003: 0.57% Co over 0.40m
- KF-WV-0007: 0.34% Co over 0.40m
- KF-KV-0008: 0.83% Co, 30 g/t Ag over 0.5m
- KF-KV-0002: 7.75 g/t Ag, 0.15% Cu, 0.80% Pb, 1.62% Zn over 1.8m

## Bellellen Zone

- Third target area confirmed
- FCC-18-0007: 0.78% Co over 2.0m



# Broad Mineralization



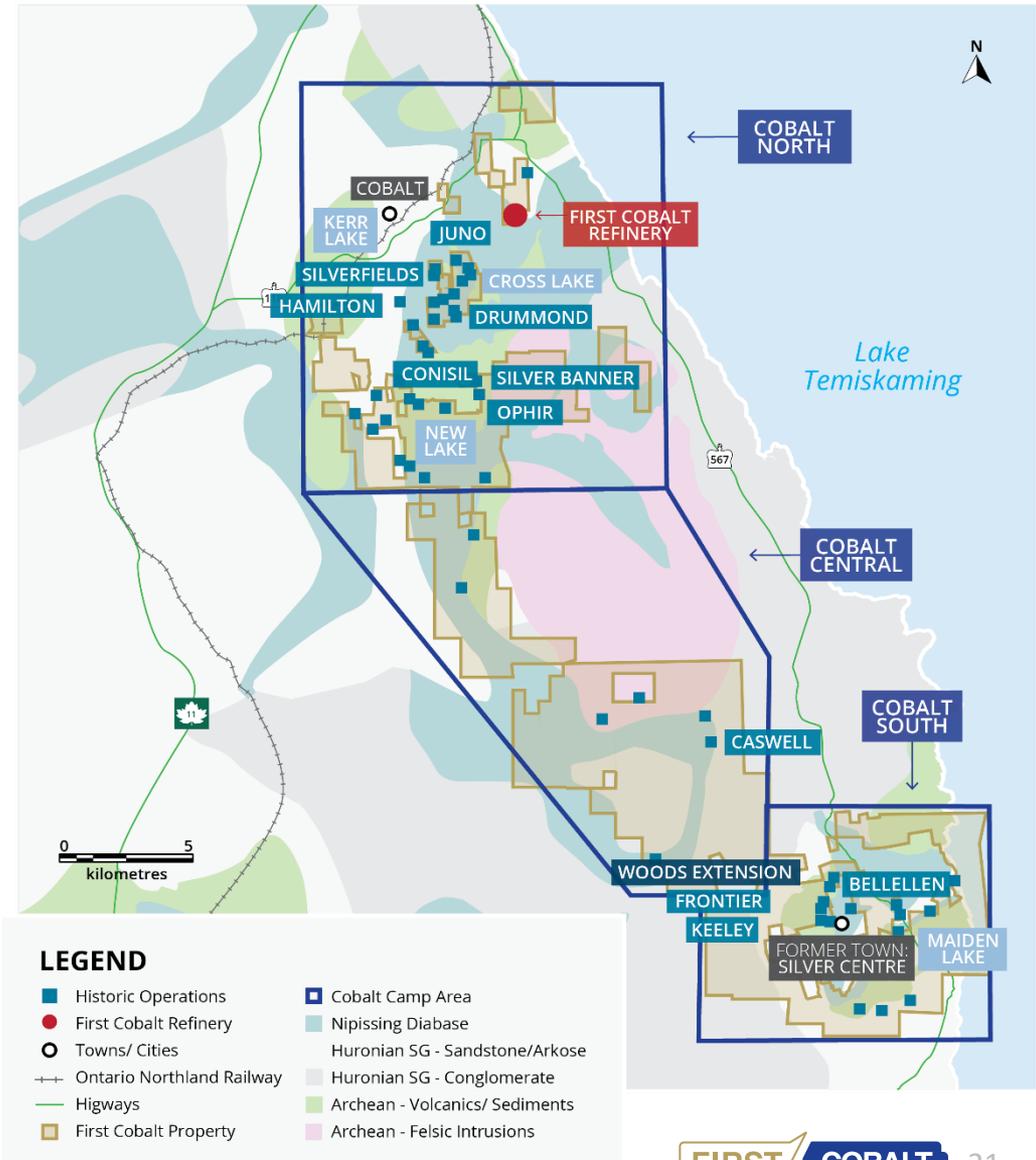
- **Broad zone of mineralization outside of the historically mined veins;** in one case extends over a strike length of 350m
- **Potential for large low-cost, open pit operations**
  - High grade areas may represent the centre of a broader mineralized system
  - Broad lower grade systems are longer term targets
- Indications of possible metal zoning pattern of silver-rich and cobalt-rich areas of mineralization
  - 13.7m of 106.2 g/t Ag, inc. 3.0m at 445 g/t Ag
  - 15.7m of 0.12% Co, inc. 6.2 m at 0.21% Co
    - In total, **over 70 metres of anomalous cobalt**

# 2018 Drill Program

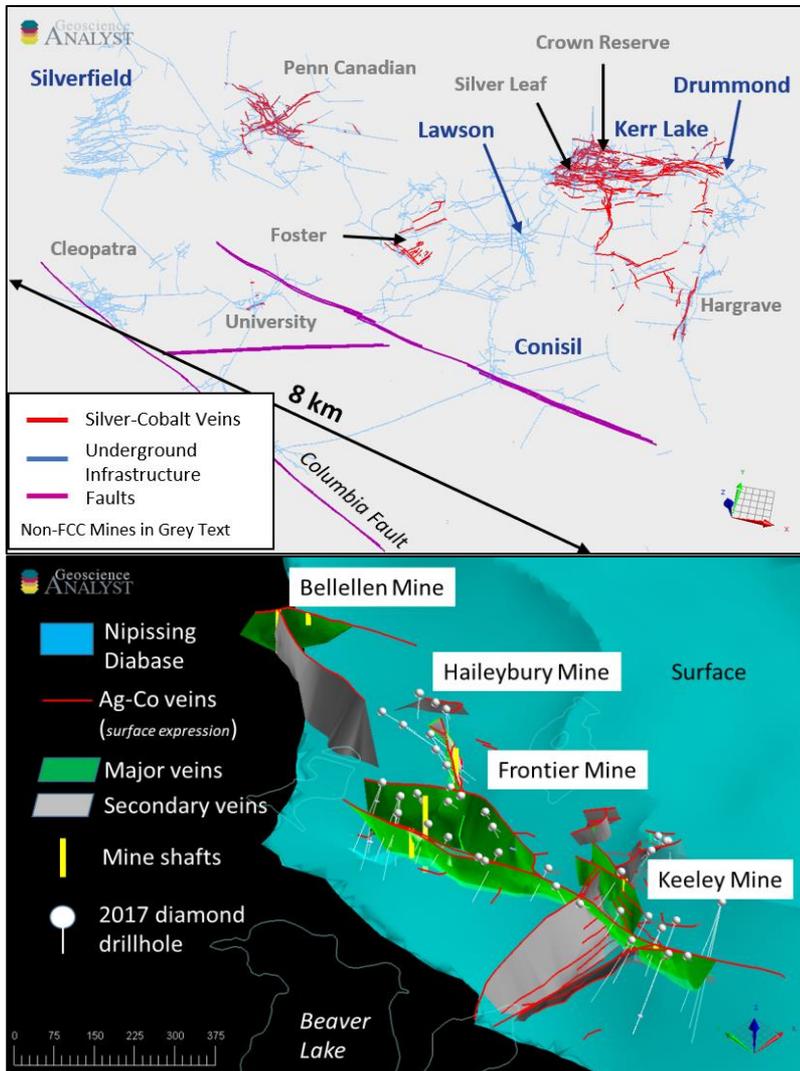
- 26,500m drilling on 15 different targets across the Cobalt Camp, testing different geological settings

Est. Metres	Prospect
3,000	Bellellen, Keeley, Frontier
3,500	Kerr, Drummond, Conisil
4,000	Hamilton, Juno, Ophir
1,500	Caswell
1,500	Silver Banner
2,000	New Lake Region
3,000	Cross Lake Region
2,000	Maiden Lake Region
3,000	Silverfields

- Downhole geophysical surveys; televiwer
- Soil geochemistry
- Ground geophysics prior to drilling



# Embracing Innovation



## Leveraging technology and innovation to accelerate discovery curve

- Digital compilation of **100+ years of mining and geological data** spanning the Cobalt Camp
- **Assessing artificial intelligence** to accelerate the discovery cycle
- **Member of the Mineral Exploration Research Centre (MERC) and Metal Earth Project** to conduct regional geophysical surveys for geological interpretation of structures controlling cobalt-silver mineralization

# Early Cash Flow From Historic Operations

- **Historic muckpiles covering 50 mines** throughout the Cobalt Camp
  - Provide important geological information
  - Accelerates metallurgical and mineralogical studies
- **Assessment underway** across several muckpiles and higher grade stockpile material
  - Representative sampling program
  - Testing ore sorting technology
- **Existing infrastructure** includes road, rail, power, patented land, mining leases and a 100 tpd mill
  - Mill equipment includes ball mill, shaker tables, Knelson concentrator, jig and mobile equipment

Crushed Muckpiles



Mill Equipment



# Highly Skilled Leadership Team



**TRENT MELL**  
PRESIDENT & CEO DIRECTOR

**Experience:** 20 years

- Global mining & capital markets incl. M&A and \$2.5 billion raised
- Record of building shareholder value including with Falco Resources, AuRico Gold, Barrick Gold, Sherritt



**DR. FRANK SANTAGUIDA, P.GEO**  
VP, EXPLORATION

**Experience:** 25 years

- Experience in base metal mining camps in Canada, Australia, Zambia, & the DR Congo
- Leading exploration programs around the world with Falconbridge (now Glencore) and First Quantum Minerals



**PETER CAMPBELL, P.ENG.**  
VP, BUSINESS DEVELOPMENT

**Experience:** 35 years

- Mining operations, mine design and new mine development for Falconbridge (now Glencore)
- Former mining analyst and Chairman of Jennings Capital



**PAUL MATYSEK**  
CHAIRMAN

**Experience:** 30 years

- Professional geochemist and geologist
- Transactional experience including Goldrock Mines/Fortuna Silver; Lithium One/Galaxy Resources; and Potash One/K+S Ag

**Current Position:**

Executive Director, Lithium X



**BOB CROSS**  
DIRECTOR

**Experience:** 25 years

- Engineer in mining & oil & gas sectors
- Building and managing companies including Bankers Petroleum, Petrodorado Energy, Northern Orion Resources, Yorkton Securities, & Gordon Capital

**Current Position:**

Chairman and co-founder, B2Gold



**JASON BONTEMPO**  
DIRECTOR

**Experience:** 18 years

- Mining executive and entrepreneur
- Corporate advisory, investment banking & public company accounting

**Current Position:**

Non-Executive Director



**JOHN POLLESEL**  
DIRECTOR

**Experience:** 26 years

- Mine management and operation including SVP, Mining, Finning Canada, COO & Director, Base Metals Operations, Vale (North Atlantic Operations); VP & GM, Vale (Ontario Operations)

**Current Position:**

CEO, Morris Group of Companies



**JEFF SWINOGA**  
DIRECTOR

**Experience:** 25 years

- Finance executive in mining & public finance
- Senior Management roles at Torex Gold, Golden Star Resources, HudBay Minerals, and Barrick Gold

**Current Position:**

CEO, First Mining Gold



**ROSS PHILLIPS**  
DIRECTOR

**Experience:** 18 years

- Resource and energy sector professional, including Sherritt, and large-scale resource and energy capital projects

**Current Position:**

CCO of Potash Ridge Corp

# Investment Highlights

## North American Cobalt

- Currently, **majority of cobalt is mined in the DRC** while majority of cobalt is processed in Asia
- Opportunity for a **vertically integrated solution for cobalt** in North America
- **Early cash flow** potential using existing infrastructure

## Fully Permitted Refinery

- The **only permitted cobalt extraction refinery capable of producing battery material** in North America
- Located **in the heart of the Cobalt Camp**
- **Easily accessed by rail**, using existing infrastructure, from anywhere in North America

## Multiple Cobalt Targets

- **1.3M ton of 0.59% Co** historic resource estimate\* in Idaho Cobalt Belt
- Largest **pure-play cobalt** exploration and development company in the world
- Embracing **innovation and modern exploration techniques**

\*non compliant with NI43-101, see pg 2 for details

# APPENDIX



# Electric Vehicle Revolution is Just Beginning

- 1.2M EVs sold worldwide in 2017
- China's 172 car companies are leading the way

Car Company	EV Targets	LT Target Range (mm EVs)	
		Lower	Upper
BMW	EVs 15-25% of sales by 2025	0.3	0.6
Chevrolet	30,000 EV sales in 2017	n/a	n/a
Chinese OEMs	4.52 million EV sales by 2020	4.5	4.5
Mercedes	EVs 15-25% of sales by 2025	0.3	0.6
Ford	13 new models by 2020	n/a	n/a
Honda	2/3rds of 2030 to be EVs	3.3	3.3
Hyundai	~10% of sales by 2025	0.8	0.8
Renault Nissan	1.5 million EVs by 2020	1.5	1.5
Tesla	1 million EVs by 2020	1.0	1.0
VW Group	2-3 million EVs by 2025	2.0	3.0
Volvo	All EVs by 2019	0.5	0.5
		<b>14.3</b>	<b>15.8</b>

Source: TD Securities, Company Reports



RENAULT



BAIC MOTOR



TESLA



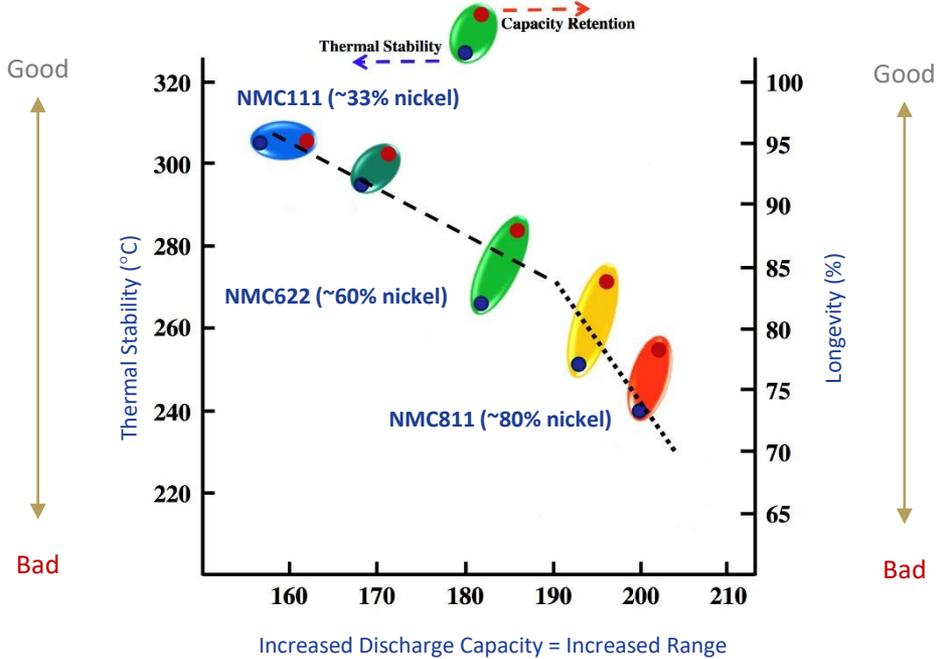
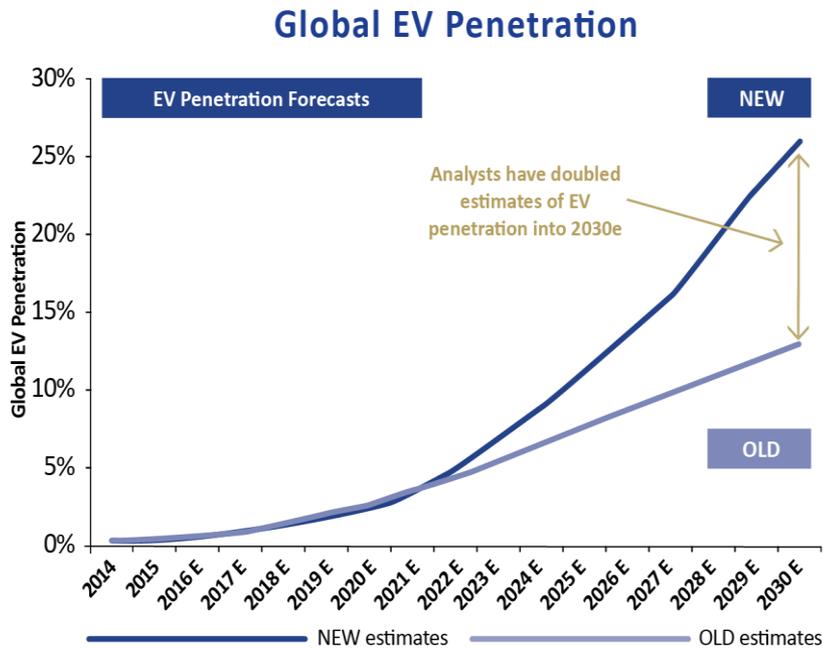
MITSUBISHI



# EV Market Driving Forward

Largest EV markets are China (47.9%) and Europe (22.5%)

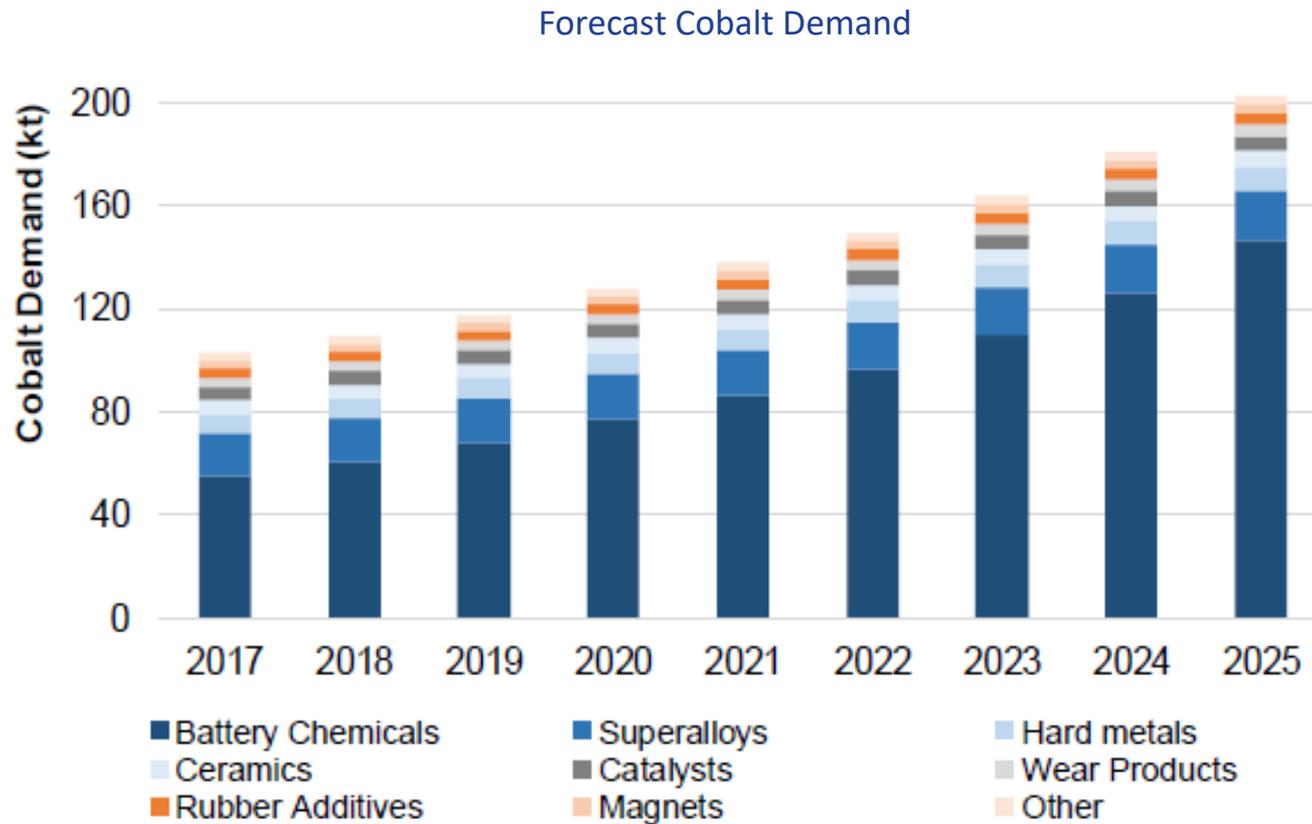
Cobalt cannot be eradicated from electric car batteries - Umicore



# Cobalt Demand Climbing Sharply

By 2025, li-ion batteries to account for 69% of cobalt demand (BMO Capital Markets)

- EVs 40%
- Other batteries 29%

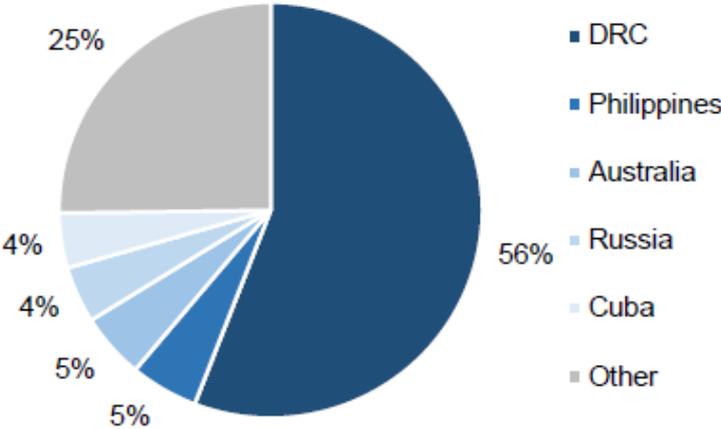


Source: Canaccord Genuity

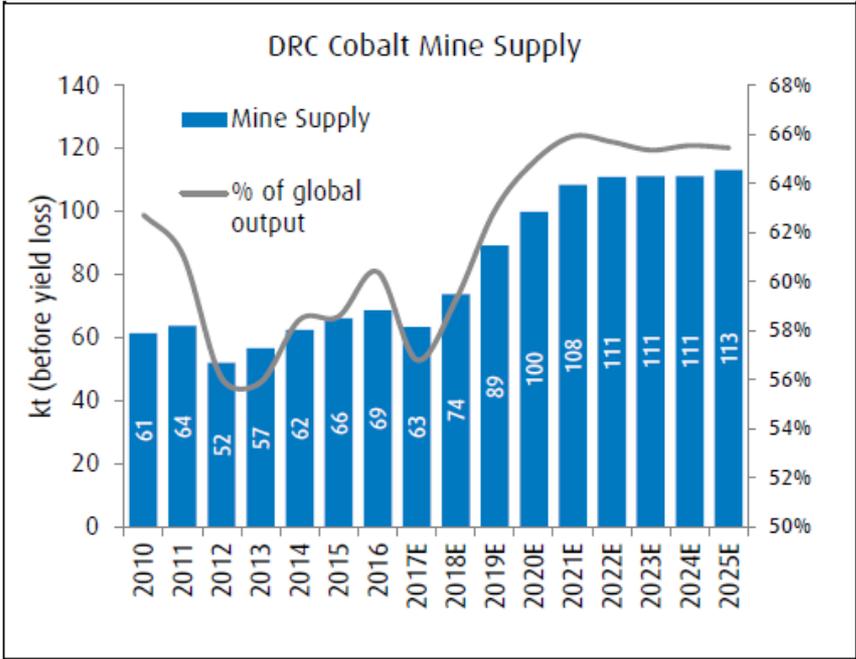
# DRC Remains a Factor

- Impact from **instability in DRC reduced global cobalt mine supply 2.7% YoY in 2017**

2016 global mined production by country



Source: SNL Mine Economics

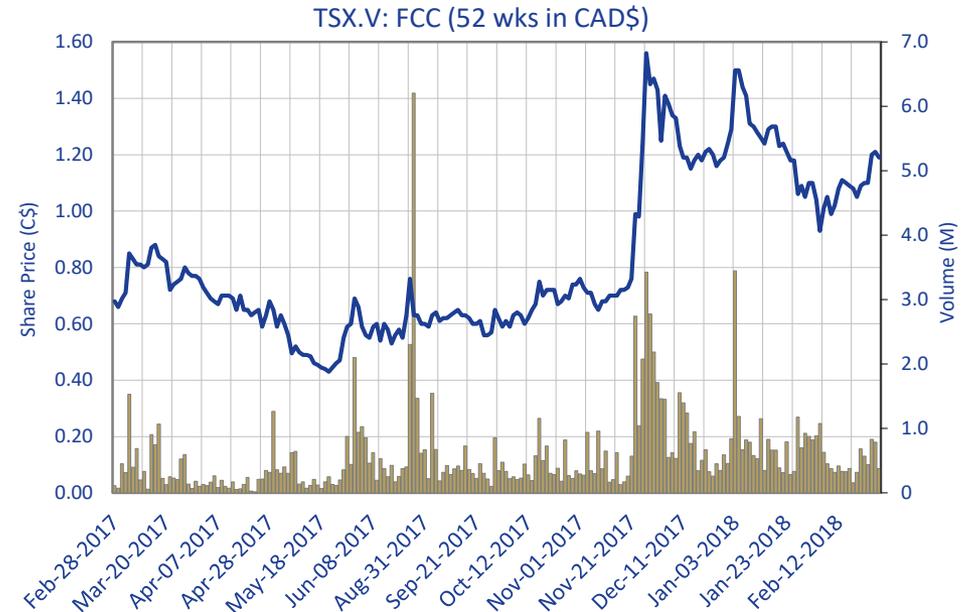


Source: CDI, Darton, BMO Capital Markets

# Snapshot – First Cobalt Today

## Corporate Overview

<b>TSX Venture / ASX</b>	FCC
<b>OTCQB</b>	FTSSF
<b>Share Price (Feb 28/18)</b>	\$1.19
<b>52 week high/low</b>	\$1.65/\$0.42
<b>Shares outstanding</b>	219,606,848 basic 13,668,400 warrants 6,204,732 options 239,479,980 fully diluted
<b>Ave. Daily Volume (20-day)</b>	943,000 shares
<b>Basic market capitalization</b>	\$261 million
<b>Cash balance (Dec 31/17)</b>	Approx. \$30 million



[www.firstcobalt.com](http://www.firstcobalt.com)



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