

**KBLT Cobalt 27 buys royalties on Flemington, Nyngan projects**

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Cobalt 27 Capital Corp (2) (TSX-V:KBLT)

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Mr. Anthony Milewski reports

**COBALT 27 ACQUIRES ROYALTY ON FLEMINGTON NICKEL COBALT PROJECT IN AUSTRALIA**

Cobalt 27 Capital Corp. has agreed to acquire a 1.5-per-cent gross revenue royalty on the Flemington cobalt-scandium-nickel project located 370 kilometres west of Sydney, New South Wales, Australia, held under option by Australian Mines Ltd.

"Large-scale nickel cobalt deposits such as the Flemington project represent important, undeveloped sources of cobalt and nickel. With ongoing geopolitical uncertainty in the DRC (the Democratic Republic of the Congo), which accounts for approximately 65 per cent of current global mined cobalt output, this Australian project provides development targets in a politically stable, mining-friendly jurisdiction," commented Anthony Milewski, chairman and chief executive officer, Cobalt 27.

"While management's priority and principal focus is on securing cobalt streaming transactions, we continue to opportunistically purchase cobalt royalties as opportunities present themselves," concluded Mr. Milewski.

Flemington cobalt-scandium-nickel project highlights:

- Maiden cobalt mineral resource of 2.7 million tonnes at 0.101 per cent (1.010 parts per million) cobalt with only 1 per cent of the Flemington project area tested at October, 2017;
- SRK Consultants concluded in the October, 2017, maiden mineral resource estimate that mineralization underlying the Flemington cobalt-scandium-nickel project is the direct continuation of Clean TeQ Holdings' Sunrise project, separated only by a tenement boundary (1). Clean TeQ's Sunrise project hosts one of the highest-grade and largest nickel and cobalt deposits outside of Africa;
- Australian Mines is fast-tracking development of the Flemington cobalt-scandium-nickel project with an updated mineral resource in 2019 and prefeasibility study scheduled to commence thereafter;
- Preliminary environmental impact study has been completed with final environmental impact study and mining lease application under way; water allocation has also been secured for future mining operations.

(1) A 2017 scoping study of the Flemington cobalt-scandium-nickel project concluded that the Flemington deposit and Clean TeQ's neighbouring Sunrise mineralization constitute the same orebody (a single deposit) with the Flemington deposit representing a direct continuation of the Sunrise orebody, with the deposit separated only by a tenement boundary (SRK Consulting, 2017). This finding was further reinforced by the results of Australian Mines' extensive 239-hole resource extension resource drilling program, which was completed in 2017.

In addition, Cobalt 27 has agreed to acquire a 1.7-per-cent GRR on the fully permitted and construction-ready Nyngan scandium project. The Nyngan project is owned by Scandium International Mining and is located 500 km northwest of Sydney and 25 km west of the town of Nyngan. Outside existing byproduct production in Russia and China, the Nyngan project is the most advanced scandium development opportunity globally, with initial offtake contracts in place.

Cobalt 27 acquired the Flemington and Nyngan royalties from Jervois Mining Ltd. for total consideration of \$4.5-million (U.S.), comprising \$1.5-million (U.S.) in cash and \$3.0-million (U.S.) in common shares of the company, which shares will be subject to a four-month hold period from the date of issuance in accordance with applicable Canadian securities laws. Completion of the acquisition of the Flemington royalty is subject to certain customary conditions of closing, including approval of the TSX Venture Exchange, and is expected to be completed shortly. Cobalt 27 has not received any scientific or technical information in respect of the Flemington cobalt-scandium-nickel project that is not otherwise publicly available. The scientific and technical information in respect of the Flemington cobalt-scandium-nickel project in this release is derived in its entirety from Australian Mines' and Jervois Mining's publicly filed disclosures, and Cobalt 27 has not independently verified any such information.

In connection with the transaction, TD Securities is acting as financial adviser to Cobalt 27 and Stikeman Elliott LLP is acting as the company's legal adviser.

About Cobalt 27 Capital Corp.

Cobalt 27 Capital is a mineral company that offers pure play exposure to cobalt, an integral element in key technologies of the electric vehicle and battery energy storage markets. The company owns over 2,982 metric tonnes of physical cobalt and manages a portfolio of seven cobalt royalties. The company intends to continue investing in a cobalt-focused portfolio of streams, royalties and direct interests in mineral properties containing cobalt while potentially adding to its physical cobalt holdings when opportunities arise.

We seek Safe Harbor.

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