



NEWS RELEASE

TSX Venture: KBLT

FSO: 270

Cobalt 27 Announces Closing of Bought Deal Financing

Toronto, Ontario

December 19, 2017

Cobalt 27 Capital Corp. (the "Company" or "Cobalt 27") (TSXV: KBLT, FSO: 270) is pleased to announce it has closed its previously announced bought deal offering, pursuant to which a total of 8,100,000 common shares ("Common Shares") of the Company were sold at a price of \$10.50 per Common Share (the "Issue Price") for aggregate gross proceeds of approximately \$85 million (the "Offering"). The Offering was underwritten by a syndicate of underwriters co-led by TD Securities Inc. and Scotiabank and including BMO Capital Markets, Haywood Securities Inc., Canaccord Genuity Corp., RBC Dominion Securities Inc., Cormark Securities Inc., National Bank Financial Inc., Desjardins Securities Inc., Eight Capital and GMP Securities L.P. (collectively, the "Underwriters").

Cobalt 27 has granted the Underwriters an over-allotment option, exercisable in whole or in part at any time up to 30 days following December 19, 2017, to purchase up to an additional 1,215,000 Common Shares at the Issue Price.

The net proceeds of the Offering will be used in connection with the acquisition by the Company of an aggregate of 800 metric tonnes of physical cobalt pursuant to certain option agreements executed by the Company. In addition, Cobalt 27 is pleased to announce that it entered into additional agreements to purchase an additional 22 metric tonnes of physical cobalt for a total purchase price of approximately US\$1.7 million (approximately \$2.2 million) payable in Common Shares at the Issue Price. Taken together, since December 7, 2017, Cobalt 27 has entered into agreements to acquire an aggregate of 822 metric tonnes of physical cobalt at an average purchase price of US\$36.28 per pound of cobalt.

The Common Shares issued under the Offering were issued pursuant to a prospectus supplement dated December 11, 2017 that was filed with securities regulatory authorities in all provinces and territories of Canada (excluding Quebec) under the Company's base shelf prospectus dated October 17, 2017, and also offered by way of private placement into the United States pursuant to Rule 144A and other jurisdictions where exempt from any prospectus, registration or other similar requirements.

The Common Shares of the Company have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This media release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any offer, solicitation or sale of the securities in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful.

About Cobalt 27 Capital Corp.

Cobalt 27 Capital Corp. is a minerals 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 2,160 Mt of physical cobalt and manages a portfolio of 7 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 cobalt physical holdings when opportunities arise.

ON BEHALF OF
COBALT 27 CAPITAL CORP.

Anthony Milewski
Chairman

For further information contact the Company at 647.846.7765 and please visit Cobalt 27's website at www.co27.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Information: This press release contains forward-looking statements that involve known and unknown risks and uncertainties, most of which are beyond the Company's control. Should one or more of the risks or uncertainties underlying these forward-looking statements materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements. Accordingly, undue reliance should not be placed on these forward-looking statements. The forward-looking statements contained herein are made as of the date of this release and, other than as required by applicable securities laws, the Company does not assume any obligation to update or revise it to reflect new events or circumstances. The forward-looking statements contained in this release are expressly qualified by this cautionary statement.

No securities regulatory authority has either approved or disapproved of the contents of this press release. This press release is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia) or any other jurisdiction outside Canada. This press release does not constitute or form a part of any offer or solicitation to buy or sell any securities in the United States or any other jurisdiction outside of Canada. None of the Company's securities have been or will be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States or to a U.S. person absent registration or pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. There will be no public offering of securities in the United States.