

eCobalt Solutions Inc. Urges Shareholders to Vote in Favour of Jervois Mining Merger

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eCobalt shareholders should ignore First Cobalt's self-serving and misleading opposition to the merger

VANCOUVER, June 27, 2019 - [eCobalt Solutions Inc.](#) ("eCobalt" or the "Company") (TSX: ECS) (OTCQX: ECSIF) (FRA: ECO), in response to the misleading news release from [First Cobalt Corp.](#), reaffirms that the merger with Jervois Mining Limited ("Jervois") (ASX: JRV) (TSX-V: JRV) (the "Jervois Merger") is in the best interest of the Company's shareholders.

eCobalt cautions shareholders not to be misled by First Cobalt Corp.'s opposition to the Jervois Merger. First Cobalt Corp. has a self-serving interest in eCobalt that is not aligned with the best interests of other eCobalt shareholders and the Company.

Reasons to VOTE FOR the Jervois Merger:

- The Jervois Merger combines two companies with the strongest development-stage cobalt assets to create the premier cobalt investment vehicle globally. Jervois in particular adds an executive team with long careers of financing, building and operating mines. The combined company creates a robust mining company focused on putting the Idaho Cobalt Project ("ICP") into production and will create a dominant cobalt company with the greatest opportunity to generate significant shareholder value.
- Jervois is committed to aggressively advancing the ICP. A significant factor in considering the merger with Jervois is that both companies are production focused and share the same desire and commitment to put the ICP into operation. The merger agreement specifically states that Jervois will spend C\$10 million on the ICP project over the next 18 months towards the completion of the feasibility study and into construction. The Chairman and CEO of eCobalt have agreed to go onto the board of Jervois to strengthen the team and represent the eCobalt shareholders' interest in advancing the ICP. Additionally, Jervois brings metallurgical expertise by individuals who have built and operated refineries that process cobalt who will be critical in completing the feasibility study. Management teams from both companies have already conducted extensive meetings on site to agree on the appropriate path forward to fast track metallurgical work and discuss economic improvements to the mine plan. This important work will be commenced upon the receipt of a positive shareholder vote from you.
- The eCobalt Arrangement values eCobalt at C\$0.36 per eCobalt share based on the closing price of Jervois' common shares on the ASX on March 29, 2019, representing a 5.9% premium, based on the closing price of the eCobalt Shares on March 29, 2019.
- eCobalt has not received any superior offers. Following an extensive strategic review evaluating alternatives with the ability to move the ICP towards production, continue to finance the feasibility study and add assets with the potential to create long-term shareholder value, Jervois emerged as the strongest partner due to their superior technical team, robust project pipeline, strong financial position and ability to access Australian and Asian capital markets. The claim that superior offers were available is false. Although eCobalt was in discussions with several parties, none were able to provide the funding needed to advance the ICP nor provided accretive alternatives for creating long-term shareholder value.

Reasons to REJECT First Cobalt Corp.'s self-serving interest in eCobalt

- [First Cobalt Corp.](#) is a company with a constantly changing business plan. Its aggressive opposition to the proposed Jervois Merger is a last-resort attempt to gain access to eCobalt's superior quality asset base.
- First Cobalt Corp. appears to have acquired its interest in eCobalt on May 1, 2019, after the announcement of the Jervois Merger. It acquired shares in eCobalt by issuing First Cobalt Corp. shares in exchange for eCobalt shares, a move of desperation by a company who lacks quality assets.
- First Cobalt Corp. has failed to disclose what its true intentions are with respect to eCobalt. Given the inferior quality of First Cobalt Corp.'s assets relative to the assets of eCobalt and Jervois, eCobalt shareholders should be highly skeptical of First Cobalt Corp.'s motivations.

- In contrast to the experienced management team of Jervois who has decades of experience building and operating world-class mines, [First Cobalt Corp.](#) is led by executives principally experienced in junior mining company promotion. The CEO of First Cobalt Corp. is a lawyer by training with no technical mining background and no experience advancing complex mining projects.
- First Cobalt Corp.'s news release fails to disclose that eCobalt has completed multiple assessments on First Cobalt Corp.'s assets and has an intimate understanding of their quality and value. eCobalt previously owned Iron Creek and abandoned the property due to lack of merit and eCobalt has a clear understanding of their refinery's economics and potential. Based upon this technical review along with legal and financial advice, eCobalt has determined it is not in the best interest of eCobalt and its shareholders to pursue a transaction with [First Cobalt Corp.](#).
- eCobalt has had numerous parties interested in providing full project financing on the condition of a completed feasibility study. The financing letter referenced by [First Cobalt Corp.](#) was merely an expression of interest subject to those same conditions as well as completion of detailed due diligence.

The Jervois Merger represents an attractive and unique opportunity to eCobalt shareholders. eCobalt expects the Jervois Merger to provide long-term financial, strategic and operational benefits and advantages for eCobalt Shareholders. In voting for the Jervois Merger, shareholders should note:

- The Jervois Merger will result in a company of increased scale and financial capacity, enhancing our ability to advance the ICP.
- Along with the ICP, shareholders will also receive enhanced geographic and asset diversification by adding the development-stage Nico Young asset in Australia and a large package of prospective exploration assets in Uganda. Together this provides a strong strategic base in the most prolific cobalt-producing regions in the world. Unlike the Democratic Republic of the Congo ("DRC"), Uganda has a stable government, a legal system based upon British law, a transparent mining code and does not have the child labour and conflict issues plaguing the DRC.
- As a result of the above, a combination of Jervois and eCobalt creates a portfolio of attractive cobalt development assets and high quality, large-scale exploration assets and other East African growth opportunities, all with geology very similar to the leading African cobalt mines in the DRC, but in more stable jurisdictions for investment and project development having hosted past production by Canadian mining companies.
- The Jervois Merger provides eCobalt shareholders exposure to the value creation potential of a global project pipeline of non-DRC cobalt, amidst a backdrop of growing demand and appetite for the commodity associated with the electrification of global transportation.
- eCobalt shareholders will benefit from the leadership of a seasoned executive team with a track record for developing complex international projects and deep experience in exploration, financing, construction, and operations as well as marketing cobalt.
- In recognition of the benefits of the Jervois Merger, shareholders holding 19.05% of eCobalt's outstanding shares have committed to vote in favour of the Jervois Merger.

The Board of eCobalt and its advisors are confident that the Jervois Merger is in the best interests of the Company and represents the best alternative currently available to eCobalt shareholders. The Jervois Merger is the result of months of work by the eCobalt Board and executive team who worked closely with their financial advisors, TD Securities and Maxit Capital. TD Securities provided a fairness opinion, subject to assumptions, limitations and qualifications and is as at March 31, 2019, to the Board of eCobalt advising that the consideration being offered by Jervois to eCobalt shareholders is fair from a financial point of view.

By VOTING FOR the Jervois Merger, eCobalt shareholders will continue to own 100% of the ICP and in addition have a pipeline of exploration projects with similar geology to that of the Idaho Cobalt Belt and significant upside potential, as well as leverage to the nickel price through Jervois' Nico Young project. The newly merged company has the potential to become a leader in the supply of battery raw materials providing a reliable and transparent source of supply for the growing electric vehicle market.

[eCobalt Solutions Inc.](#) has retained Shorecrest Group to provide the following services in connection with the Company's annual general and special meeting (the "Meeting"): developing and implementing Shareholder communication and engagement strategies, advice with respect to the Meeting and proxy protocol, reporting and reviewing the tabulation of Shareholder proxies, and the solicitation of Shareholder proxies including contacting Shareholders by telephone. In connection with these services, Shorecrest is expected to receive a fee of approximately C\$50,000 plus reasonable out-of-pocket expenses. The company may utilize the Broadridge QuickVote [®] service to assist NOBO's with voting their Shares. NOBO's may be contacted by Shorecrest Group to conveniently obtain a vote directly over the telephone.

Shareholder Questions:

Questions may be directed to eCobalt's proxy solicitor, Shorecrest Group at:

North American Toll-Free: 1-888-637-5789

Bankers & Brokers/collect calls outside North America: 647-931-7454

Email: contact@shorecrestgroup.com

About eCobalt Solutions Inc.

eCobalt is a Toronto Stock Exchange listed company advancing the Idaho Cobalt Project ("ICP"), the only near-term, environmentally permitted primary cobalt project in the United States. The ICP, located in east-central Idaho in the historic Idaho Cobalt Belt, is 100% owned by the Company's wholly owned subsidiary, Formation Capital Corporation, U.S. With eCobalt's significant land position in the Idaho Cobalt Belt, the ICP presents a district-scale opportunity and the potential to become a reliable and transparent source of supply for the growing cobalt market.

Cautionary Statement on Forward Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. Statements in this news release pertaining corporate transactions, financing and operations are forward-looking statements. These forward-looking statements are based on assumptions and address future events and conditions and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future results, performance or achievement. These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of cobalt; variations of mineral grade or recovery rates; operating or technical difficulties in connection with exploration, development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in completion of exploration, development or construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits or obtain required licenses and permits in a timely manner; the ability to obtain financing on acceptable terms in a timely manner; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business.

Such projections are and will inevitably always be dependent on assumptions about future mineral prices and development costs which will be subject to fluctuation due to global and local economic and industry conditions. Further information regarding risks and uncertainties which may cause results to differ from those contained in forward-looking statements is included in filings by the Company with securities regulatory authorities and is available at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, 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. Although the Company has disclosed that the ICP remains the sole, near term, environmentally permitted, primary cobalt deposit in the United States and offers a unique potential for North American consumers to secure an ethically sourced, environmentally sound supply of clean cobalt products, there is no guarantee that the Company will attain commercial production of such cobalt products for use in the rechargeable battery sector. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

The statements contained in this news release in regard to eCobalt that are not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including eCobalt's beliefs, expectations, hopes or intentions regarding the future. All forward-looking statements are made as of the date hereof and are based on information available to eCobalt as of such date. It is important to note that actual outcome and the actual results could differ from those in such forward-looking statements. Factors that could cause actual results to differ materially include risks and uncertainties such as technological, legislative, corporate, commodity price and marketplace changes.

SOURCE [eCobalt Solutions Inc.](http://www.ecobaltsolutions.com)

Contact

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