

Fuse Cobalt Inc. Provides a Corporate Update

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Vancouver, June 24, 2020 - [Fuse Cobalt Inc.](#) ("the Company" or "Fuse") (TSXV:FUSE), (OTC:FUSEF), (FRA:43W3) is pleased to provide its shareholders with a Corporate update on its recently re-acquired Glencore Bucke and Teledyne Cobalt properties in Ontario, Canada. The Company has recently identified the initial requirements for the dewatering and rehabilitating of the underground ramp on the Teledyne property. This ramp is recognized by Company management as a significant asset, and Mr. Robert Setter, Fuse President & CEO further states "Once the ramp is rehabilitated, we will be in a position to completed a bulk sample and further drill the Teledyne high-grade cobalt deposit from underground, using visual cues to guide our work. This, along with our past and future drilling efforts, will be an important factor when we try to determine the overall cobalt resource value on our Ontario Cobalt Properties."

Recently in the news, on June 16, 2020, the Financial Post published an article entitled "Tesla strikes a deal to buy cobalt from Glencore ahead of future supply squeeze". In this article, journalists David Stringer and Thomas Biesheuvel discussed several key observations of a recently signed cobalt supply contract between two corporate giants, Tesla Inc. (NASDAQ:TLSE), a market leader in the Electric Vehicle ("EV") industry, and Glencore plc (LSE:GLEN), the world's largest miner of cobalt, to provide up to 6,000 tons of cobalt annually to Tesla for its EV lithium-ion battery production needs which it will use to manufacture batteries for its planned 650,000 EV's built at its Berlin (Germany) and Shanghai (China) production facilities.

Inside this news article, journalists Stringer and Biesheuvel go on to state that this cobalt acquisition contract is significant in several ways....

Firstly: Tesla Inc. will buy cobalt from Glencore Plc, the world's biggest cobalt miner, as the car maker looks to avoid a future supply squeeze on this key battery input metal.

Secondly: While cobalt supply demand is currently in balance, demand is expected to surge in the coming years as Tesla expands in China and Europe and Volkswagen AG to BMW AG roll out fleets of electric vehicles.

Lastly: The contract to secure 6,000 tons of cobalt per year signals that cobalt will remain key to Tesla's expansion over the next several years.

Mr. Setter continues "Fuse believes in the long-term cobalt commodity demand given that EV's are expected to number over 140 million vehicles by 2035, and each EV needs approximately 50 lbs of cobalt for its battery. Due to this heightened metal demand, our neighbour in Ontario is restarting North America's only licensed cobalt refinery in conjunction with a significant \$45 million investment by Glencore (Glencore Investment News). Fuse is excited that this refinery, once operational, will provide a nearby facility to refine any, and all, cobalt from the region. This is especially exciting for Fuse since we currently have three contractual arrangements with Glencore on our Ontario properties including an off-take agreement, a back-in rights agreement and a royalty agreement. If all goes as planned, we could be selling all our cobalt produced back to Glencore in the future, which is a huge benefit to Fuse shareholders."

The Company's Ontario Cobalt Properties are located in the historic cobalt mining region of Cobalt, Ontario Canada, which is strategically located in a very mining friendly jurisdiction.

Strategically, Fuse's Ontario Cobalt Properties cover the southern extension of the former producing 15 Vein on the past-producing Agaunico Mine Property. Historically, the Agaunico Mine produced 4,350,000 lbs. of cobalt and 980,000 oz. of silver during the mining boom of the early 1900's (Cunningham-Dunlop, 1979).

Recap of the Key Contractual Terms : Fuse - Glencore Agreement

Offtake Agreement - Prior to the commencement of Commercial Production, Glencore shall enter into an

off-take agreement with Fuse for all ores and/or concentrates produced from the Glencore Bucke Property and the Teledyne Property. This off-take agreement shall be on such terms and conditions as are commercially reasonable and at prevailing market prices;

Production Royalty - The Royalty to Glencore will consist of a 3.5% of Net Smelter Return calculated on a quarterly basis on all Products extracted from, processed, and sold that originate from mining operations on the Property from and after Commercial Production. One-half (1/2) of the Royalty can be purchased for \$1,000,000 payable to Glencore;

Back-In Option - Subject to Glencore determining a discovery of one or more ore bodies having a minimum aggregate in-situ value of \$100M from minerals that can be feasibly extracted... Fuse grants to Glencore an irrevocable, sole and exclusive right and option to acquire from Fuse a 51% interest in the Property and all Property Rights, free and clear of all burdens of any nature or kind for an amount equal to 3 X Fuse's exploration costs. Once the Back-in Option is exercised a joint venture will be formed and a management committee established with representatives of both companies.

About Glencore plc. <https://www.glencore.com>

Glencore plc (LSE:GLEN) is a leading integrated commodity producer and trader, operating worldwide with diversified operations comprising around 150 mining and metallurgical, oil production and agricultural assets. Glencore's industrial and marketing activities are supported by a global network of more than 90 offices located in over 50 countries where they employ around 155,000 people, including contractors. Glencore trades in and distributes physical commodities sourced from third party producers as well as their own production. The company also provide financing, processing, storage, logistics and other services to commodity producers and consumers.

About Tesla Inc. https://www.tesla.com/en_ca/models

Tesla's (NASDAQ:TLSE) mission is to accelerate the world's transition to sustainable energy. Since its founding in 2003, Tesla has broken new barriers in developing high-performance automobiles that are not only the world's best and highest-selling pure electric vehicles--with long range and absolutely no tailpipe emissions--but also the safest, highest-rated cars on the road in the world. Beyond the flagship Model S sedan and the falcon-winged door Model X sports utility vehicle, Tesla also offers a smaller, simpler and more affordable mid-sized sedan, Model 3, which is expected to truly propel electric vehicles into the mainstream.

In addition, with the opening of the Gigafactory and the acquisition of SolarCity, Tesla now offers a full suite of energy products that incorporates solar, storage, and grid services. As the world's only fully integrated sustainable energy company, Tesla is at the vanguard of the world's inevitable shift towards a sustainable energy platform.

About Fuse Cobalt Inc. <https://fusecobalt.com/>

[Fuse Cobalt Inc.](#) (TSXV:FUSE) is a Canadian based exploration company that trades under the symbol FUSE on the TSX Venture Exchange. The Company's focus is on exploration for high value metals required for the manufacturing of batteries.

Ontario Cobalt Properties:

Fuse owns a 100% interest its Glencore Bucke Property, situated in Bucke Township, 6 km east-northeast of Cobalt, Ontario, subject to a back-in provision, production royalty and off-take agreement. The Glencore Bucke Property consists of 16.2 hectares and sits along the west boundary of Fuse's Teledyne Cobalt Project. The Company also owns a 100% interest, subject to a royalty, in the Teledyne Project located near Cobalt, Ontario. The Teledyne Property adjoins the south and west boundaries of claims that hosted the Agaunico Mine.

On Behalf of the Board of Directors

"Robert Setter"

Robert Setter, President &CEO

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