

Providing conflict-free cobalt to address the demand for advanced batteries

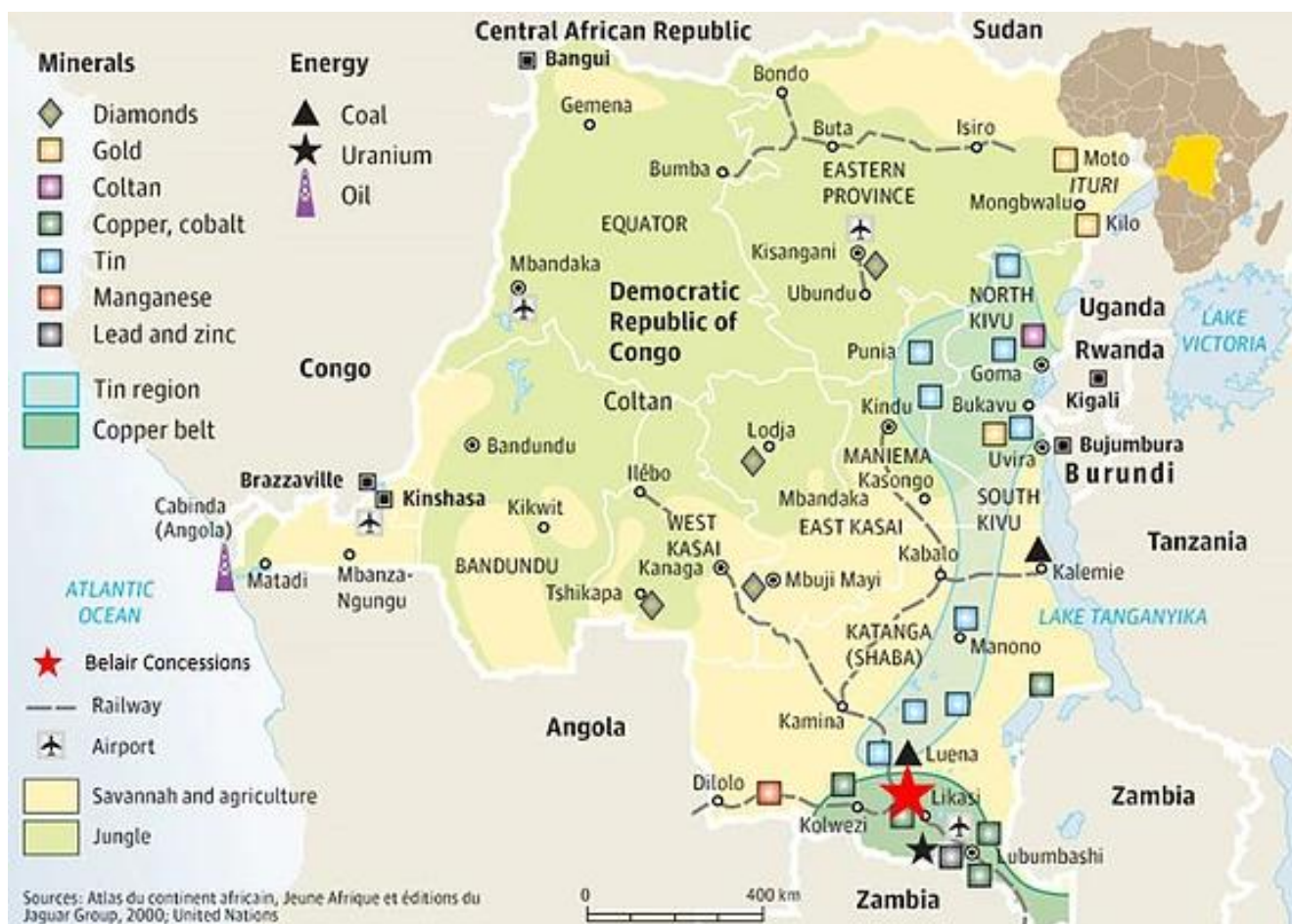
Cobalt Blockchain Inc. (TSXV: COBC) (“COBC”) is a Toronto, Ontario based resource company, expanding its exploration and development business to include cobalt assets in the Democratic Republic of the Congo (DRC). The Company owns 100% interest in an existing metals trading business specializing in sourcing conflict-free minerals from artisanal and small-scale mines in the DRC. The Company is developing a distributed ledger-based certification platform to provide manufacturers and end-users greater certainty of provenance and further assurance that all minerals procured are ethically-sourced.

The OECD Due Diligence Guidance provides detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices. This Guidance is for use by any company potentially sourcing minerals or metals from conflict-affected and high-risk areas. COBC is the first mining and mineral trading company set up specifically to procure cobalt in compliance with the OECD due diligence framework.

Cobalt Blockchain’s business is to provide conflict-free cobalt to address the demand for advanced batteries in smartphones and electric vehicles, tracked via a blockchain based platform, providing transparency and immutability of the certification record. COBC has 12 years of on-the-ground experience, and holds licenses for 3T (tin, tungsten, tantalum) conflict-free metals, in the DRC.

The company has a definitive supply agreement with one of the

largest local mining cooperatives in the Lualaba province (DRC) for the provision of 40,000 tonnes per annum of cobalt concentrate (minimum 1% cobalt, average 3-4% cobalt) commencing in June 2018. Lance Hooper, COBC President & Chief Operating Officer noted: "This is a significant milestone in our strategy to generate near-term cash flow, supply agreements with established mining cooperatives to complement our plans for larger-scale, mechanised production activities on mineral concessions in our property portfolio." In support of this supply agreement, COBC has begun initial arrangements to set up its cobalt trading facilities in the DRC. These facilities will include a 1,000 square metre depot with storage, assay lab, clinic and office capabilities. The depot site will also incorporate perimeter fencing and security equipment.



Democratic Republic of the Congo

In March 2018, the Company also announced that it has entered

into two definitive joint venture agreements for cobalt/copper concessions in the Democratic Republic of the Congo totaling over 48 square kilometers. The Company has also submitted an application to the DRC Ministry of Mines for a cobalt/copper trading and export license, with results expected soon.

A Letter of Intent was signed in April 2018 to establish a joint venture between the Company and DLT Labs Inc. ("DLT") to provide secure, traceable and transparent methods for tracking and certifying the provenance of metals and minerals, through the entire supply chain from source to end-user.

Cobalt Blockchain Inc. is targeting early Q3 2018 for both their initial shipment of certified, ethically sourced cobalt; and the pilot project to perform an end-to-end transaction to demonstrate the blockchain proof of concept.

Cobalt Blockchain Inc. has a market cap of C\$39m.

In conclusion, Cobalt Blockchain Inc. is addressing a need for cobalt by pursuing conflict free cobalt mining, and at the same time they are pioneering a blockchain based certification platform to provide certainty of provenance that all minerals procured are ethically sourced. The granting of the cobalt/copper trading and export license which is expected soon, should be a significant catalyst for Cobalt Blockchain Inc.