

M2 COBALT CORP.
Suite 2000, 1177 West Hastings Street
Vancouver, British Columbia
V6E 2K3

NEWS RELEASE

M2 COBALT COMPLETES ACQUISITION OF SEVEN EXPLORATION LICENSES IN UGANDA, EAST AFRICA AND LAUNCHES EXPLORATION PROGRAM IN UGANDA

January 22, 2018 – Vancouver, British Columbia – M2 Cobalt Corp. (the “**Company**”) (TSXV: MC.V) is pleased to announce that it has completed the acquisition (the “**Transaction**”) of a series of seven exploration licenses (the “**Licenses**”) located in the Republic of Uganda spanning approximately 1,564 square kilometers, as well as all of the outstanding share capital of 1126302 B.C. Ltd. (“**1126302**”). The exploration licenses acquired by the Company are comprised of the Bujagali Property which consists of five licenses totalling approximately 1,371 square kilometers and the Kilembe Property which consists of two licenses totalling approximately 193 square kilometers.

Following completion of the Transaction, the Company has launched an extensive exploration program to build upon historic work done on the Licenses with the goal of discovering large scale cobalt and related mineral deposits. The program includes: drone flyovers to determine access, culture, outcrops, old workings, gossans by making high-resolution photo mosaics; a large mobile sampling program including the collection of heavy mineral concentrates, stream sediments, soils and rock grab samples as well as concurrent ground geophysics; trenching and drilling as part of bedrock mapping and sampling to help better understand the nature of mineralization and geology and to build upon ongoing results from the program; and, a high-resolution magnetic and electromagnetic helicopter borne airborne geophysical survey which has been commissioned for the Kilembe Property and will commence shortly. For further information concerning the Licenses and the proposed work program to be undertaken by the Company, readers are encouraged to review the geological report commissioned by the Company in connection with the Transaction. A copy of the report is available under the Company’s profile on SEDAR (www.sedar.com).

In consideration for the acquisition of the Licenses, the Company has issued 19,700,000 common shares (the “**Consideration Shares**”) to the shareholders of 1126302 and has completed cash payments totaling \$1,100,000. The Consideration Shares are subject to a pooling arrangement from which they will be released in tranches every six months over a thirty-six month period, subject to acceleration in certain circumstances.

Trading in the Company’s common shares is expected to resume at the open of markets on January 24, 2018.

Private Placement

In connection with completion of the Transaction, all outstanding subscription receipts (each, a “**Receipt**”) of the Company were converted into Units of the Company, and gross proceeds of \$8,500,000 were released from escrow. Each “unit” consists of one common share of the Company and one-half-of-one common share purchase warrant. Each whole warrant entitles the holder to acquire a further common share at a price of \$0.80 per share for period of twenty-four months, subject to

accelerated expiry in the event the common shares of the Company trade on the TSX Venture Exchange at a price of \$1.40 or higher for ten consecutive trading days.

In connection with conversion of the Receipts, the Company paid finders' fees of \$433,506 and issued 867,012 finder warrants to parties who introduced investors to the Company. The finder warrants are exercisable on the same terms as the warrants issued upon conversion of the Receipts. All securities issued upon conversion of the Receipts are subject to a statutory hold period expiring on May 4, 2018.

The proceeds of the Receipts will be used by the Company to advance exploration efforts in Uganda, and to satisfy working capital requirements of the Transaction.

Management Changes

In connection with completion of the Transaction, Thomas Lamb has been appointed as a director of the Company and as Vice-President of Operations. The Company has also appointed Dr. Jennifer Hinton as director of East African operations. Both Mr. Lamb and Dr. Hinton bring extensive experience in structuring exploration-stage projects in Uganda, and bring to the Company a seasoned team of local geologists, mining engineers and in-country personnel. Mr. Lamb fills the vacancy created in the board by the resignation of Michael Kobler.

Mr. Kobler will remain with the Company as a technical advisor and will assist the Company in establishing a technical advisory board to support Management and the Board of Directors with additional expertise in mining and the production of cobalt and associated minerals.

Following the management changes the Board of Directors has approved the grant of 3,150,000 incentive stock options to directors, officers and consultants of the Company. The options vest immediately and are exercisable at a price of \$0.50 for a period of thirty-six months.

Simon Clarke, Chief Executive Officer of the Company commented, "we are delighted to complete this acquisition which positions us to execute on our stated goal of finding world class cobalt deposits to help address the ongoing challenges of rising cobalt demand coinciding with severe supply shortages. Uganda is uniquely positioned geologically and although major mineral deposits occur in neighboring countries just across the border, it remains underexplored. We have a quality team in Uganda, headed by Dr Jennifer Hinton whose reputation and experience across the region are a major asset. We have strong relationships locally and are committed to help Uganda realize the potential of its mineral resources. I welcome both Jennifer and also Tom Lamb who are now key members of our management team. I would also like to thank Mike Kobler for his input and am pleased that he will continue to provide advice through his new role on the technical side."

The technical content of this news release has been reviewed and approved by Dean Besserer, P.Geol., a Qualified Person as defined by National Instrument 43-101.

For further information, contact Simon Clarke at sclarke@m2cobalt.com or Andy Edelmeier at andy@m2cobalt.com

On behalf of the Board,

M2 COBALT CORP.

Simon Clarke, Chief Executive Officer

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