Cobalt 27 Capital Corp.

Marketed Offering of Common Shares

Term Sheet **June 16, 2017**

A final prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada except Québec. A copy of the final prospectus, and any amendment, is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The securities offered hereby have not been, and will not 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, sold or delivered, directly or indirectly, in the United States (as such term is defined in regulation s under the U.S. Securities Act) (the "United States") or to, or for the account or benefit of, U.S. persons (as defined in the U.S. Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Capitalized terms used but not otherwise defined herein shall have the respective meaning ascribed thereto in the final prospectus. All references to "$" or "dollars" in this document are to Canadian dollars, unless indicated otherwise.

Issuer: Cobalt 27 Capital Corp. ("Cobalt 27" or the "Company").

Offering: 10,924,420 common shares (the "Shares") will be offered via treasury offering by the Company (the "Cash Offering) and the Company will distribute 11,297,805 Cobalt Contract Shares (as defined below) (the "Cobalt Shares Offering", and together with the Cash Offering, the "Offering").

Offering Price: $9.00 per Share.

Offering Size: $200,000,025 ($230,000,022 assuming the Over-Allotment Option is exercised in full) of which, it is estimated that the Offering will consist of approximately $98,319,780 of aggregate gross cash proceeds pursuant to the Cash Offering and approximately $101,680,245 of shares distributed pursuant to the Cobalt Shares Offering.

Cobalt Contract Shares: 11,297,805 Shares of the Offering will be issued to certain vendors under the Cobalt Contracts. The number of Cobalt Contract Shares to be issued will be equal to the agreed fair market value for the cobalt being purchased pursuant to the terms of those Cobalt Contracts divided by the Offering Price of the Shares.

Over-Allotment Option: The Company has granted the Underwriters an option (the "Over-Allotment Option"), exercisable in whole or in part at any time until 30 days following the closing of the Offering, to purchase from the Company at the Offering Price up to an additional 15% of the number of Shares sold under the Offering (the "Over-Allotment Shares") solely to cover over-allotments, if any, and for market stabilization purposes.

Shares Outstanding: Upon completion of the Offering, on a fully-diluted basis, an aggregate of approximately 24,147,668 Shares (27,481,001 Shares if the Over-Allotment Option is exercised in full) will be issued and outstanding.

Use Of Proceeds: The Company intends to use the net proceeds available from the Offering to fund the acquisition of physical cobalt, general and administrative expenses and to establish a reserve to evaluate and acquire streams, royalties and direct interests in mineral properties containing cobalt.

Lock-Up Agreements:	The Company will not issue any securities, other than in limited circumstances including the exercise of existing stock options, warrants and, the Cobalt Contracts and in settlement of consideration due under the Royalty Contracts, for a period of 180 days after the Closing Date, without the prior written agreement of Scotia Capital Inc. on behalf of the Underwriters, such agreement not to be unreasonably withheld. In addition, each of the Company's executive officers and directors and certain shareholders, including Pala Investments, will agree they will not sell, assign or transfer any Shares for a period of 180 days after the Closing Date without the prior written agreement of Scotia Capital Inc. on behalf of the Underwriters, such agreement not to be unreasonably withheld.
Dividend Policy:	The Company does not currently anticipate paying any dividends on its Shares. The Company currently intends to use any future earnings and other cash resources for the operation and development of its business, but may declare and pay dividends in the future as operational circumstances permit.
Offering Procedure:	Offering of Shares and Cobalt Contract Shares under a long-form prospectus filed in each of the provinces and territories of Canada except Québec. Private placement in the U.S. to "qualified institutional buyers" pursuant to Rule 144A of the US Securities Act, as amended, and internationally as permitted pursuant to private placement exemptions under local securities laws.
Eligibility:	The Shares are eligible investments for RRSPs, RRIFs, DPSPs, RDSPs, RESPs and TFSAs.
Listing:	The Company's Shares are listed on the TSX Venture Exchange under the symbol "KBLT".
Joint Bookrunners:	Scotia Capital Inc., Canaccord Genuity Corp. and TD Securities Inc.
Commission:	The Underwriters will receive on the Closing Date a Commission of 6.0% of the gross proceeds realized from Shares issued pursuant to the Offering provided that the first $70,000,000 of Cobalt Contract Shares issued under the Offering and the sale of 2,270,000 Shares to Pala Investments will be subject to a 1.0% Commission.
Pricing Date:	June 16, 2017.
Closing Date:	June 23, 2017.