



## **GLOBAL COBALT ANNOUNCES BINDING PLAN OF ARRANGEMENT AGREEMENT TO SPIN-OUT GLOBAL ENERGY METALS CORPORATION**

**VANCOUVER, BC / TNW-ACCESSWIRE / JULY 30th, 2015 / GLOBAL COBALT CORP. (TSXV:GLOBAL COBALT, OTCBB:GLBCF, FRA:3P0) ("Global Cobalt" and/or the "Company")** is pleased to announce that further to its news releases dated April 20th, 2015 and April 7th, 2015 that it has entered into an arrangement agreement dated July 27th, 2015 (the "Arrangement Agreement") with Global Energy Metals Corporation, ("Global Energy Metals") and Imperial Mining Holding Limited ("IMHL").

The Company is also pleased to confirm the following dates with respect to the spin-out transaction and plan of arrangement (the "Arrangement"):

- Record Date for Voting at the Annual General and Special Meeting to consider the Arrangement: July 31st, 2015
- Mailing of Information Circular: on or before August 10th, 2015
- Annual General and Special Meeting (the "Meeting"): August 31st, 2015
- Effective Date: the Arrangement is expected to become effective, on or about September 2nd, 2015 (the "Effective Date")

The Arrangement involves the "spin-out" and transfer of Global Cobalt's Werner Lake property and the Iron Creek property and associated technical data to Global Energy Metals, a wholly-owned subsidiary of Global Cobalt, in consideration for common shares of Global Energy Metals (each a "Global Energy Metals Share") having a value equal to the aggregate value of the Werner Lake property and the Iron Creek property of approximately \$3 million. The Arrangement is intended to maximize shareholder value by allowing the market to value Global Energy Metal's North American mineral exploration business independently of Global Cobalt's Karakul cobalt property, located in Altai Republic, Russia.

The Arrangement is expected to be effected by way of a plan of arrangement under the *Business Corporations Act* (British Columbia) and must be approved by the affirmative vote of 66 2/3% of the votes cast in respect thereof at the Meeting and by the Supreme Court of British Columbia.

In connection with the Arrangement, certain steps will occur, including:

1. Global Cobalt will distribute the Global Energy Metals shares that it receives in consideration for the Werner Lake and Iron Creek properties to the shareholders



of Global Cobalt, other than IMHL and its affiliates and associates, on the basis of one Global Energy Metals Share for each common share of Global Cobalt held on the Effective Date.

2. Holders of Global Cobalt warrants on the Effective Date, other than IMHL and its affiliates and associates, will receive one Global Cobalt common share purchase replacement warrant and one Global Energy Metals common share purchase warrant in exchange for each Global Cobalt common share purchase warrant held on the Effective Date, which warrants will have the same terms and conditions as to tenure and method of exercise as the corresponding Global Cobalt warrants; provided that the original exercise price of the Global Cobalt warrants will be allocated to the Global Cobalt replacement warrants and the Global Energy Metals warrants acquired by the holder pursuant to the warrant exchange.
3. All issued and outstanding Global Cobalt options will be cancelled and terminated and replaced with replacement Global Cobalt options; provided that each holder of outstanding Global Cobalt options will be deemed to have waived any right and entitlement to receive a Global Energy Metals common share upon the exercise of the replacement Global Cobalt option. The replacement options will have the same terms and conditions as to vesting schedule, tenure and method of exercise as the corresponding old Global Cobalt options, with the necessary adjustment to the exercise price thereof to reflect the fair market value of Global Cobalt as at the Effective Date.
4. Global Cobalt will assign all indebtedness of Global Cobalt immediately prior to the effective time of the Arrangement in the current aggregate amount of approximately \$2.82 million, including all rights and obligations owed to officers, directors and other management of Global Cobalt including unpaid salaries, wages, fees, bonuses or other compensation, and all accounts payable and accrued liabilities, including consultant and contractor fees, existing as the completion of the Arrangement, including the loan in the current outstanding amount of approximately \$1.25 million advanced to Global Cobalt by its President and CEO, Erin Chutter.
5. Upon the completion of the Arrangement, all existing officers of and non-IMHL nominee directors of Global Cobalt will resign and be replaced with IMHL nominees and the former Global Cobalt officers and directors will assume similar offices with Global Energy Metals.



At the Meeting, shareholders will also be asked to approve the conversion of all outstanding principal and interest accrued thereon owing to IMHL under a loan agreement dated July 8, 2013 in the approximate aggregate amount of \$4.87 million into Global Cobalt common shares upon the completion of the Arrangement (the "Debt Conversion"). At a conversion price of \$0.05 per share, this will result in approximately 97 million shares being issued to IMHL, which when combined with approximately 2.5 million Global Cobalt common shares to be issued to IMHL under the Arrangement Agreement to compensate it from the dilution arising from the issuance of shares by Global Cobalt to cover costs associated with the Arrangement, will result in IMHL holding approximately 61% of Global Cobalt's issued and outstanding common shares upon the completion of the Arrangement. The approval by shareholders of the Debt Conversion is a condition precedent to the completion of the Arrangement.

**Global Cobalt Corporation:**

Global Cobalt Corporation is a publicly traded Canadian resource company that was founded in 2007 to take advantage of the global transformation that is occurring in the strategic metals sector of the mining industry. Through a combination of acquisitions and internally developed businesses, Global Cobalt exploits market opportunities as they emerge in various sectors of the energy metals sector with emphasis on those metals, such as cobalt, used in the rechargeable battery space.

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**Cautionary Statement on Forward-Looking Information:**

*This news release contains "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws, concerning the business, operations and financial performance and condition of the Company. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements contained in this news release include statements with respect to: expectations regarding shareholder and Court approval of the Arrangement; the satisfaction or waiver of conditions precedent to the closing of the Arrangement, and the ability of Global Cobalt and Global Energy Metals to raise sufficient*



*working capital to continue and going-concerns upon the completion of the Arrangement. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Factors that could cause actual results to differ materially from our expectations include uncertainty about the level of shareholder support for the Amendment and the share issuances contemplated thereunder; the need to obtain permits and governmental approvals; risks of construction and mining projects such as accidents, equipment breakdowns, bad weather, non-compliance with environmental and permit requirements, unanticipated variation in geological structures, ore grades or recovery rates; unexpected cost increases; fluctuations in metal prices and currency exchange rates; the impact of economic sanctions on companies conducting business in Russia and North America; and other risk and uncertainties disclosed in reports and documents filed by the Company with applicable securities regulatory authorities from time to time. The forward-looking statements made in this news release reflect management's beliefs, opinions and projections on the date the statements are made. Except as required by law, Global Cobalt assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.*

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